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Regional Oral History Office
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University of California
Berkeley, California

The Wine Spectator California Winemen Oral History Series

Elie C. Skofis

CALIFORNIA WINE AND BRANDY MAKER

With an Introduction by
John B. Cella II

An Interview Conducted by
Ruth Teiser
in 1987

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ELIE SKOFIS

1985

Since 1954 the Regional Oral History Office has been interviewing leading participants in or well-placed witnesses to major events in the development of Northern California, the West, and the Nation. Oral history is a modern research technique involving an interviewee and an informed interviewer in spontaneous conversation. The taped record is transcribed, lightly edited for continuity and clarity, and reviewed by the interviewee. The resulting manuscript is typed in final form, indexed, bound with photographs and illustrative materials, and placed in The Bancroft Library at the University of California, Berkeley and other research collections for scholarly use. Because it is primary material, oral history is not intended to present the final, verified, or complete narrative of events. It is a spoken account, offered by the interviewee in response to questioning, and as such it is reflective, partisan, deeply involved, and irreplaceable.

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PREFACE

The California wine industry oral history series, a project of the Regional Oral History Office, was initiated in 1969 through the action and with the financing of the Wine Advisory Board, a state marketing order organization which ceased operation in 1975. In 1983 it was reinstituted as The Wine Spectator California Winemen Oral History Series with donations from The Wine Spectator Scholarship Foundation. The selection of those to be interviewed is made by a committee consisting of James D. Hart, director of The Bancroft Library, University of California, Berkeley; John A. De Luca, president of the Wine Institute, the statewide winery organization; Maynard A. Amerine, Emeritus Professor of Viticulture and Enology, University of California, Davis; Jack L. Davies, the 1985 chairman of the board of directors of the Wine Institute; Ruth Teiser, series project director; and Marvin R. Shanken, trustee of The Wine Spectator Scholarship Foundation.

The purpose of the series is to record and preserve information on California grape growing and wine making that has existed only in the memories of wine men. In some cases their recollections go back to the early years of this century, before Prohibition. These recollections are of particular value because the Prohibition period saw the disruption of not only the industry itself but also the orderly recording and preservation of records of its activities. Little has been written about the industry from late in the last century until Repeal. There is a real paucity of information on the Prohibition years (1920-1933), although some commercial wine making did continue under supervision of the Prohibition Department. The material in this series on that period, as well as the discussion of the remarkable development of the wine industry in subsequent years (as yet treated analytically in few writings) will be of aid to historians. Of particular value is the fact that frequently several individuals have discussed the same subjects and events or expressed opinions on the same ideas, each from his own point of view.

Research underlying the interviews has been conducted principally in the University libraries at Berkeley and Davis, the California State Library, and in the library of the Wine Institute, which has made its collection of in many cases unique materials readily available for the purpose.

Three master indices for the entire series are being prepared, one of general subjects, one of wines, one of grapes by variety. These will be available to researchers at the conclusion of the series in the Regional Oral History Office and at the library of the Wine Institute.

The Regional Oral History Office was established to tape record autobiographical interviews with persons who have contributed significantly to recent California history. The office is headed by Willa K. Baum and is under the administrative supervision of James D. Hart, the director of The Bancroft Library.

Ruth Teiser
Project Director
The Wine Spectator California
Winemen Oral History Series

10 September 1984
Regional Oral History Office
486 The Bancroft Library
University of California, Berkeley

CALIFORNIA WINE INDUSTRY INTERVIEWS

Interviews Completed by 1988

Leon D. Adams, Revitalizing the California Wine Industry 1974

Maynard A. Amerine, The University of California and the State's Wine Industry 1971

Maynard A. Amerine, Wine Bibliographies and Taste Perception Studies 1988

Philo Biane, Wine Making in Southern California and Recollections of Fruit Industries, Inc. 1972

John B. Cella, The Cella Family in the California Wine Industry 1986

Burke H. Critchfield, Carl F. Wente, and Andrew G. Frericks, The California Wine Industry During the Depression 1972

William V. Cruess, A Half Century of Food and Wine Technology 1967

William A. Dieppe, Almaden is My Life 1985

Alfred Fromm, Marketing California Wine and Brandy 1984

Joseph E. Heitz, Creating a Winery in the Napa Valley 1986

Maynard A. Joslyn, A Technologist Views the California Wine Industry 1974

Amandus N. Kasimatis, A Career in California Viticulture 1988

Horace O. Lanza and Harry Baccigaluppi, California Grape Products and Other Wine Enterpriaes 1971

Louis M. Martini and Louis P. Martini, Wine Making in the Napa Valley 1973

Louis P. Martini, A Family Winery and the California Wine Industry 1984

Otto E. Meyer, California Premium Wines and Brandy 1973

Norbert C. Mirassou and Edmund A. Mirassou, The Evolution of a Santa Clara Valley Winery 1986

Robert Mondavi, Creativity in the Wine Indsutry 1985

Myron S. Nightingale, Making Wine in California, 1944-1987 1988

Harold P. Olmo, Plant Genetics and New Grape Varieties 1976

Antonio Perelli-Minetti, A Life in Wine Making 1975

Louis A. Petri, The Petri Family in the Wine Industry 1971

Jefferson E. Peyser, The Law and the California Wine Industry 1974

Lucius Powers, The Fresno Area and the California Wine Industry 1974

Victor Repetto and Sydney J. Block, Perspectives on California Wines 1976

Edmund A. Rossi, Italian Swiss Colony and the Wine Industry 1971

Arpaxat Setrakian, A. Setrakian, A Leader of the San Joaquin Valley Grape Industry 1977

Elie C. Skofis, California Wine and Brandy Maker 1988

André Tchelistcheff, Grapes, Wine, and Ecology 1983

Brother Timothy, The Christian Brothers as Wine Makers 1974

Ernest A. Wente, Wine Making in the Livermore Valley 1971

Albert J. Winkler, Viticultural Research at UC Davis (1921-1971) 1973

INTRODUCTION by John B. Cella II

Elie Skofis gives an in-depth, knowledgeable and memorable report of the California wine industry, particularly from a winemaker's view not often found in other oral reports by wine men. His account will be of interest to those wanting to know more about the period of early growth after World War II. He relates many interesting developments and accounts of his years with two of the largest wineries in California, Roma and Italian Swiss Colony. His report adds much to the history of both these companies previously given in other oral reports.

His background, experience and association with leading scholars such as Drs. Cruess, Guyman, March and Berg have given him unique knowledge in wine making and brandy production. Today, he is considered one of the state's leading brandy-making authorities.

His contributions have been invaluable through his chairmanship of the Wine Institute's Laws and Regulations Committee and Environmental Committee. His oral report is itself a valuable contribution to the wine and brandy industry.

His personal experiences and contracts with other wine men, particularly those who were with the companies he reports on in detail, is enlightening and historical.

In 1983 Elie Skofis was awarded the Guymon Award by ASE. In 1985 his work and contributions brought him recognition by his peers when he was awarded the Merit Award by the American Society of Enologists. This is the highest award given by the ASE.

John B. Cella II

15 September 1988
Concord, California

INTERVIEW HISTORY

The interview with Elie C. Skofis took place on June 12, 1987, a typically hot Fresno summer day, in two long summer sessions, morning and afternoon. It was held in his office at Guild Wineries and Distilleries' Cribari winery, the old Roma winery of post-Prohibition fame, which had been his headquarters since 1955. In 1975 he was named vice president in charge of production for all quality assurance. He retired at the end of 1987 but continued as a consultant, and shortly after began work on a long needed book on the technology of brandy with particular reference to California brandy.

The transcript of the interview went to him that autumn just as he was busy winding up his affairs at Guild. It was accompanied by questions on a few points. He went over it carefully, answered the questions, made hand-written corrections, added some amplifications, and returned it early the following year. It was edited by the interviewer and Lisa Jacobson, editor-researcher, who made the index.

Ruth Teiser
Interviewer-Editor

21 September 1988
Regional Oral History Office
486 The Bancroft Library
University of California at Berkeley

Regional Oral History Office
Room 486 The Bancroft Library

University of California
Berkeley, California 94720

BIOGRAPHICAL INFORMATION

(Please write clearly. Use black ink.)

Your full name ELIE C. SKOFIS

Date of birth 5/29/18 Birthplace Lawrence, Massachusetts

Father's full name Rev. Char. SKOFIS

Occupation Greek Orthodox Priest Birthplace Kalamata, Greece

Mother's full name Amalia Zaimes SKOFIS

Occupation Housewife Birthplace Tripolis, Greece

Your spouse Koula

Your children HARRY, George, Paulette
Patrick (son-in-law), Nicole (granddaughter)

Where did you grow up? Came to California in 1926

Present community Fresno, California

Education Univ. of California - Berkeley - Jan 1943
B.S. Degree College of Chemistry

Occupation(s) U.S. Army 1943-46; Wine industry since
August 1946 - as chemist, winemaker, Vice Pres-Production

Areas of expertise Wine making; Brandy making

Other interests or activities Involved in Wine Institute Committees
technical, environmental, quality, legal aspects. Also
worked on Enology Program for Fresno State Univ.

Organizations in which you are active Amer Soc. of Enology & Viticulture,
Wine Institute, Amer. Vineyard Foundation, Elks Lodge,

BIOGRAPHICAL

ELIE C. SKOFIS

1. Graduate University of California, Jan. 1943
   B.S. Degree - College of Chemistry in Chemistry and Chemical Technology

2. Jan. 1943 to Sept 1946 - served in U. S. Army in European Theater. Rank-Captain.

3. Sept 1946 to March 1955 - Chief Chemist and Winemaker - Italian Swiss Colony - Fresno, CA.

   1955-1971 Wine Division Production Manager - Schenley Ind.- Roma - Cresta Blanca

   1971-1975 Productions Operations Manager, Guild Wineries & Distilleries

   1975-1987 Vice President, Production Guild Wineries, includes Cribari, Roma, Cresta Blanca, Cook's Champagnes, and all Guild Brandies.

   1988-Vice President,Emeritus, Guild Wineries

4. Member of Wine Institute Technical Advisory Committee 1952-1973. Chairman two terms 1954-1955.

5. Member of Wine Institute Technical Committee 1974-1988

6. Associate Professor of Enology - Fresno State University, 1961 -62- 63. Adjunct Professor 1963 to 1976. Served on the Enology Curriculum Committee 1949-1955 and active in creation of Enology at FSU.

7. Chairman Wine Institute Laws & Regulations 1962-1969

8. Charter Member American Society of Enology and Viticulture. Board member 1963-1970. President 1968-1969

9. Chairman Wine Institute Environmental & Energy Committee from inception in 1970 until nov, during which period wine industry involved in serious environmental matters concerning waste disposal and air pollution(ethanol emissions).

10. Member State of California Wine Grape Inspection Committee 1975 to end 1987.

11. Served as Project Reviewer for EPA 1975-1877.

12. Served Wine Judge California State Fair 1960-1966.

AWARDS:

1983 J. F. Guymon Lectureship by University of California and American Soc. of Enology & Viticulture in recognition of outstanding development and research in field of BRANDY

1985 Received MERIT AWARD from American Soc. of Enology & Viticulture. Highest award given by ASEV for outstanding leadership and dedication to the grape and wine industry and to the society.

Married to Koula 1947

Three children -Harry, George, and Paulette. All U.C. Berkeley graduates.

I YOUTH AND EDUCATION

[Date of Interview: June 12, 1987] ##

Teiser: Let me begin at the beginning, if I may, and ask you when and where you were born?

Skofis: I was born in Lawrence, Massachusetts, May 29, 1918. My parents were from Greece. They immigrated to this country from Greece. They met and married here in the United States. My dad was a pretty well-educated young man from Greece, but, like a lot of people at that time, he came here to find his fortune. He spoke French fluently, and as a result, he got involved a lot in his early years in helping people arrange transportation to this country through the French Line, or some of the other lines, because French was a very common language that most Europeans spoke instead of English.

Besides his work in arranging transportation, et cetera, for immigrants arriving from Greece, my father was also active in organizing the Greek Community in Lawrence, which in turn formed a church. Because of this type of activity and his better education, the Archbishop of the Greek Orthodox of North and South America requested my father work as a seminarian in the New York headquarters and become trained to be ordained as a priest. He became one of the first priests so trained and ordained in the United States. As a result of his work, our family traveled throughout the United States, where my father not only organized new church communities but also served many as their pastor.

My early education started in 1923 in Nashville, Tennessee in kindergarten-grade school. My dad was later transferred to Duluth, Minnesota, and I continued with grade school. We finally came to Sacramento, California, in July 1926. Sacramento at that time--the third largest city in California--had a population of some 100,000 people.

This symbol indicates that a tape or segment of a tape has begun or ended. For a guide to the tapes, see page 82.

Skofis: I've lived in California all the time since then, except for my four years that I spent in the army, during World War II. I went to Sacramento schools; then we moved to Stockton, where I went to high school. After graduation, and due to the Depression, I stayed out a couple of years and worked, I enrolled at UC Berkeley in 1939.

Teiser: As a youngster did you have an interest in science and chemistry?

Skofis: Yes. Actually, I wanted to be a medical doctor. My thrust was that way; except that when I got to the University, because of the economic conditions, I had to settle for second-best, and I took a major in chemistry. I went into the College of Chemistry, and with emphasis on chemical engineering. Of course, I liked sciences very much.

Teiser: Had you been a good student in science in high school?

Skofis: Yes. I was a good student in high school.

Of course, economic conditions, and my dad being a priest, and received poverty salary, it wasn't possible to go to college. That is why I stayed out and worked. Also, my sister was going to the College of the Pacific, and they were paying high tuition for her. My brother was working, and he was trying to help. My dad, at that time, had also been transferred to Vancouver, Canada, which split the family up. It was decided he would go alone. Therefore, the income was kind of split. But we were getting along all right. My dad's emphasis always was that education was the most important thing. I'm very glad he pointed me in that direction. I did want to go on to medicine; but then I recognized that to go on to medicine took a lot of money. I tried to be realistic. I said, "I'll go out into the field and work," although we anticipated a war coming on, even in those days. A few weeks after the day I had arrived at the University, the European War broke out.

Chester Rowell at that time, who was the editor of the [San Francisco] Chronicle, came and spoke to us at the University, at the Greek Theater. He told us, "Today is the day that is going to change the whole complexity of the world for centuries to come." I remember that, and of course I realized how bad it was, having been concerned about all of Hitler's activities in those days. But we didn't recognize what effect it would have on every one of us. We thought the world would continue and eventually be the same, but little did any of us know the great changes to take place.

Fortunately I did finish my university schooling; they had accelerated our education because of the war. I finished my academic training, actually, in October, 1942, but I continued on until December to complete my R.O.T.C. training, and was sent to the Ordnance Officers School for additional training to get

Skofis: commissioned. I was in the service from 1943 until October of 1946, when my three months terminal leave expired. I came back after having done two tours of duty in Europe.

I did one tour of duty when all the fighting was going on. I returned in October 1945 after 10 months overseas duty but I returned back in December of '45, with a State Department Commission who went to Greece to set up the government and have elections. Ourselves, the United States, France, England, and Russia were to see that there was a fair election. The Russians, seeing that it wasn't going to go the Communistic direction, pulled out. That was one of the first indications that they were going to be difficult to work with.

I came back in June 1946 to the United States after that tour of duty, and I was in a quandary of what to do as a person.

Teiser: While you were at college, had you formulated any interest in any industry?

Skofis: Well, naturally I was going to probably be in the chemical field, I thought. But then, I didn't want to just stay in the laboratory and do work. I'd made up my mind I would try to get a MBA.

When I was in Europe, I contacted Stanford, and sent my application over there. But by the time I got out of the service, and actually came back to the United States and went to Stanford, they had already filled the MBA class that year. Even though I was qualified to go, they didn't have any openings. I had to wait a whole year. The dean of the school of Business Administration suggested that I could spend a fruitful year, if I wanted to, and go over to the law school. I said, well maybe I might go into law. And I actually did get accepted to go to law school, Stanford, starting October, 1946.

I persuaded my friend, a close friend and associate of mine who was with me in Greece--that's Nicholas Petris, the senator from Alameda County--to go to law school. He'd signed up, and did go to Stanford Law School and graduated. We would have gone together. On just an impulse, you might say, a very good friend of my brother's, who was close with the Bisceglias, told me that there was a job open as a chemist at the Bisceglia winery. So, I went and saw Mr. Alfonso Bisceglia, and he was interested, being that I was a chemist. Having just left the service, I was a little cocky, because the first question that he asked me, when I saw him, was how much did I want? I thought that was inappropos; he should find out what I knew. So I told him what I wanted, I had my ideas what I wanted, because I had contacted Dr. Twining at Twining Laboratories, and he gave me a good idea what I should be asking for. Dr. Twining told me you should get three hundred dollars a month. [laughs] So, when I asked for three hundred dollars, Mr.

Skofis: Bisceglia said, "Too much!" I said, "Well, hire two girls, then," because he told me he could hire some laboratory girls. I said, "You don't want a chemist, you want a lab technician.

But anyway, it stimulated my interest. Then, I came here to Roma Winery--I heard that they were hiring--more out of curiosity than anything else. They actually accepted my application and told me that they would probably call me in October, when the season was going to be very busy. Roma was the biggest winery in the world then, and the biggest winery in America. They were hiring many chemists. There weren't many graduate chemists at that time who were available.

Well, I was also told at Roma by one of the people that there was a chemist position open at Italian Swiss Colony in Clovis, California. I went to Clovis, California, where I met the winery manager, a Mr. Henry Bonzani. Mr. Bonzani, being that he was a Spanish-American War veteran, loved all veterans [laughs], and he just thought it was great to have a captain out of the U.S. Army, which I was at that time, come and work for him. Since I was a graduate chemist, he was really sold on me, and we had a good rapport. He actually convinced me I should go to work for them. I really was biding my time to go to law school. So I said to myself, "Well, I'll go there, and if I like it, I can always put off law school--or maybe I'll go to the school of business the following year."

In the meantime, I met my wife Koula, and I started our courtship. I got very serious, and I figured, well, I would continue working, and see how things worked out. I was young; I didn't have too much to worry about. I thought I was old, of course, but I still had a few years to make up my mind on a career. I did that, and I got in pretty deep with Italian Swiss Colony.

University of Calfornia

Skofis: I was a very aggressive person, and I had done fairly well in the College of Chemistry at Berkeley. At the University of California in those days, to be in the College of Chemistry, you had to have over a B average. You had to have a very good B average in chemical subjects; and had to have a B average in the University to stay in the College of Chemistry, to get a B.S. It meant a lot more to get a B.S. in chemistry then, although you could get a B.A. degree in chemistry in the College of Letters and Science. So that's where my career started, as a chemist at Italian Swiss Colony in 1946.

Skofis: Of course, in those days, they used to call us "wine chemists;" they didn't call us "enologists."

Teiser: While you were at Cal, did you work with Dr. [William V.] Cruess?

Skofis: Yes. I got interested in agricultural chemistry, and I did one year of undergraduate research with Dr. Cruess. My work was done on olive oil, because I thought that might be something interesting to know. And he had suggested that I do that, because it was a new industry in California--I mean, not a new industry, but it was an industry that needed technical development. That was my contact with Dr. Cruess, and I got along very well with him, because he liked me very much. That was also my first contact with some of the other professors in the Department of Food Science. They didn't have an enology curriculum in those days on the Berkeley campus. One could take courses on winemaking from Professor Cruess.*

Teiser: Who else did you work with?

Skofis: Well, I got to know Reese Vaughan well. And then, I was there just about the time when Maynard A. Joslyn was there, and he was just leaving for the army at the time. George Marsh--these are all people that were there, but the staff wasn't that many in those days. We had, once a week, a late afternoon session, where the undergraduate research work was reviewed, and each student would give his paper, probably about an hour, two hours, something like that. The staff would critique it, and I know that. I took the course twice. I enjoyed it very much, and Dr. Cruess commented when he knew I'd be going into the service, as he was interested in me persuing a doctoral study under him in agricultural chemistry.

But this was my contact with those Food Science people. It was not in enology, and there were some undergraduate studies by some students that were studying enology, but I don't recall exactly who they were. It was a long time ago. And I didn't have that much interest in enology. I knew what it was, but I knew that Cruess was well-known on the fruit sciences, and grape was one of them.

And I had contact with him later, after I got into the industry. Being that I was one of his students, he would come through Fresno, and come out to Italian Swiss and visit with me. I did some investigative work with him on enzymes, and as a result, I probably did some of the early investigative work using enzymes on

* see William V. Cruess, A Half Century of Food and Wine Technology, an oral history interview conducted 1966, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1967.

Skofis: the clarification of red must. He encouraged me in this enzyme study on red must; and of course he helped me. Also later George Marsh and Harold Berg did some additional studies at the [Italian Swiss Colony] winery in Clovis. I was instrumental in getting them to do their studies on color extraction from red grapes at our winery.

This was a time, you know, when we didn't have that total amount of knowledge we have today. We had maybe ten per cent of what we have today, in those days. Since then, there has been a lot of knowledge developed and, as I've told a lot of our young people, many times you look to me and you say, gee, how could he get all that information? I said, I did it over a period of forty years. As this information developed, I assimilated it slowly. I made it a point to know what was going on. It was like a continuous education. All of us were like a dry sponge. We wanted all this. So many of us, and you know, there's been others already retired, like Leo Berti and Max Goldman. And also, like Charlie [Charles] Crawford, who is one of the chief wine people for Gallo--all of us went through this period when all this enormous amount of enology research was going on. And there are many others: Philip Posson, and Myron Nightingale, Louis Martini, et cetera.

Teiser: Charles Crawford wasn't in your class, was he?

Skofis: No, he graduated in 1940. He and Myron Nightingale and Louis [P.] Martini. I'd stayed out of school for a couple of years. If I had actually gone to school when I should have gone, I'd probably been class of '41. Or even '40. Because I graduated out of high school in 1936. I graduated a little young. Initially, the first years, we kept in contact with the University, of course.

II ITALIAN SWISS COLONY UNDER NATIONAL DISTILLERS, 1946-1955

E. M. Brown

Skofis: Italian Swiss Colony was a growing organization, and we had at the head of our winemaking Elbert Brown; you've heard of him. E. M. Brown; they called him "Brownie." I was very fortunate to have been able to work under his mentorship.

Teiser: Tell a little about him, if you would. I--

Skofis: Well, I know about him. He was a student of [Frederic T.] Bioletti's, before World War I. They had a College of Agriculture at the University there at Berkeley. And he worked for Bioletti, who had done a lot of the work on wine making. E. M. Brown is supposed to be the first enology graduate from the University of California, from what I understand, and I believe it. There would be people go through and take courses; he actually stayed and he got his degree in, of course, food science, but his major was in enology. He knew more about the wine business at that time, and what knowledge there was, he knew it. He was highly respected.

All during Prohibition, he was connected somehow or other with wineries and distilleries; he did work in Hawaii, for instance, trying to make alcohol from pineapples. He had worked down in the Cucamonga area, with I think it was the Garrett Winery;* he worked down there for another winery--it was prominent even then. So when Prohibition was repealed, he was one of the real few people that knew anything about wines, and the technical aspects of wine. Not just, you know, crush grape make wine. He knew how to control what it took to do good winemaking. He had a lot of foresight about him. He knew things we had to do, and he would encourage me many times to look into things: "We don't know that, but why don't we see if we can find out?"

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* At Guasti.

Skofis: So he did that. I don't know if you've talked to Myron Nightingale, but Myron Nightingale also had worked with him.* Elbert Brown was a good table wine maker; he knew about dessert wines; he knew a lot about brandies.

Teiser: What sort of man was he personally?

Skofis: He was a quiet kind of a person. He was a pretty tall man; kind of quiet, and he never had any problems with me. I never heard him shout. He had kind of a slow way about him, but he got the message to you, and gave you a lot of leeway. He never put you down if you didn't do a thing right, he would always encourage you. You never had any fear that he was going to sit on you. I thought he was a great guy, and he stimulated to do investigations to learn more.

Enrico Prati

Skofis: At the same time at Italian Swiss, we also had a vice president of production, Enrico Prati.

Teiser: What was he like?

Skofis: He was a tough guy [laughs], but he was a very knowledgeable man. I don't think he had any formal education in enology, but he had a lot of years of experience, both from Italy and when he came to this country and started to work at Italian Swiss up at Asti. He was a very up-and-going person; knew a lot about grapes; knew a lot about winemaking, and I learned a lot from him. He taught me a lot about blending a wine. He would drive down from Asti--he lived at Asti--they had the office at San Francisco. He commuted from Asti to San Francisco every day. He rarely ever stayed over. But then he would come to Fresno maybe every ten days--possibly every two weeks but at least every ten days--he would come down here, and review the blends that we were making in those days, particularly of dessert wine.

Teiser: Where was your Fresno winery?

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* See Myron S. Nightingale.

Skofis: At Clovis. That was the old La Paloma Winery, and that has a lot of history. I don't have all the history on that, but it has been written up.* And of course, National Distillers owned the winery. When I got there in 1946, they were just expanding it. They had added six or eight million gallons of cooperage. It was all concrete.

Teiser: National Distillers owned Italian Swiss?

Skofis: Yes. Just like Schenley Distillers bought out Roma during the War, National Distillers bought out Italian Swiss. The period I was with Italian Swiss was when National Distillers had it.

Teiser: To go back to Prati, did you learn much from him, besides--

Skofis: Yes. He was a type of person, he didn't want things put off tomorrow which you can do today. He'd say, well, let's get it done today. You'd tend to put it off, but he wanted, before he'd leave a lot of the times, let's get this thing going, so we can see how it comes out. Everybody was scurrying to get the job done.

Also, in the blending, I would get the wines ready for him, and give him what I thought was the blend. He'd come in there, and he'd show me how I had to make my adjustments on the blend and why. He also taught me that, in an inventory, which you have X gallons, you can't just use all your good wine first and then wind up with wine that, what are you going to do with it? So somewhere you have to learn to blend out the best along with the fair to come out with a consistent product. He taught me the importance of uniformity in a blend, and the need to be consistent. Because, you know, you can't put the best wine for three months in a bottle, and then next time put a mediocre product in the bottle. The customer is very sensitive to it. So he burned this in my mind very quickly. As a result, I would review our wines, tank by tank. In fact, we'd make a blend using a large table, and place all the bottles which represent the different tanks in a semi-circle. We'd taste them all, and we could select out the various qualities from the best to the fair. As such we'd make the trial blends and use the previous blends as the target to insure consistency.

Teiser: How many of you would taste?

Skofis: Well, usually myself and what we called the winemaker, who was actually in charge of the plant operations. He would tell the men what to do. I was the chief chemist; they called us chemists in those days. They depended on us to put all the wine blends

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* It was established about 1919 by the Tarpey family and bought by Italian Swiss Colony in 1941.

Skofis: together, for everyone to taste. If the blend I would propose was too good or different, Mr. Prati would say, "Hey, you used all of that; you've got to use half of that, and use more of this, and some of this here that you don't want to use," and so the next thing you know, we've had a good consistent reasonable blend. But he showed me that you can work off from your inventories the various grades. Also he wanted me to know if a wine wasn't good enough to blend out that we should not use but distill to recover the alcohol.

One wine is not as good, well, he says, "Before we use it, we're going to treat it." We had various treatment methods we could use. He indicated, just don't use the wines because they were balanced out in the alcohol and the volume that you wanted, or the color. He even taught me on balancing colors. You just don't put things together. If the color's dark, well, you think, that's the way it came out. Well, it's not the way it has to come out. You can work on the color. So you had a lot of areas to work with. You had to be concerned with flavor. You had to be concerned with chemical specs such as alcohol and sugars, which were the easiest to balance out. Then you had the flavor, and the aroma. So these were all important aspects of blending, and in winemaking that's important.

Even though we were more into dessert wines in those days, and less into table wines, still the rules all apply. And he was a great mentor in that respect. Then later E. M. Brown took over this task. Mr. Prati was stretching himself thin; he was trying to do everything. He was the kind of guy that, he'd work 20 hours a day and sleep four hours a night. He was a driver; he drove everybody else. I was with Italian Swiss from 1946 until 1955; I started off as a chemist, and within six months they made me chief chemist. Then, after that, I stayed on as chief chemist for a couple of years. Then they made me winemaker, and they made me assistant manager. When I left, actually I was the plant superintendent, and Bob Rossi, Jr., was the winery manager.

Teiser: Was Edmund A. Rossi, Jr. there too?

Skofis: No. Ed was not there. Ed was up at Asti. But Ed worked quite a bit with E. M. Brown too, Ed Rossi did. And Ed used to come down and work with us on inventory quantities. He was involved with seeing that we had sufficient inventory--you know, so much of this type wine, so much of that. He didn't at that time get into the quality of the wines like E. M. Brown did, but he got into the numbers as to whether we had enough.

[tape interruption; telephone]

Teiser: What were the Italian Swiss Colony production facilities that you had charge of finally, then?

Skofis: The Italian Swiss Colony was at Clovis, and was at that time the second largest winery in the United States.

Teiser: But you had control of some other facilities, also?

Skofis: Not me. Well, the Italian Swiss Colony had the Clovis facility; they had one up at Lodi, what was called the old Shewan-Jones facility, and they had the Asti facility in those days.

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The contact we had with those was like, at Lodi, Myron Nightingale used to be the chief chemist there, and up at Asti we used to have a man by the name of Lyman Cash, and he was the chief chemist. The National Distillers would have us meet with their chief quality supervisor, who had been stationed at New York. National Distillers, owning Italian Swiss, insisted that there be some top quality-control procedures instituted. They were very quality-control minded, and this is another part of my education in my career. The emphasis on quality control was embedded in us by National Distillers; myself, and Myron, and then Lyman Cash. Later, Lyman left, and Myron went to Asti as the chief chemist. Today, you'd call him chief enologist, or winemaker.

The National Distilling Companies

Teiser: Did National Distillers understand the wine business?

Skofis: I don't think any of the distillers understood the wine business. The only thing they understood was that, during the war years, due to the low inventories of whiskey--they had to control their whiskey inventories. They weren't permitted to make any whiskey. They only were permitted to make grain spirits to use in the war effort. They did a lot of blending—a lot of the blending came out as a result of that. But in order to supplement the extra sales, they found out that they could make every year wine from wine grapes. They couldn't use wine grapes for anything else. The Thompson [Seedless] grapes could be used to make raisins.

The distillers bought the wineries. One of their marketing efforts was, you buy a case of whiskey, you buy five cases of wine. So (you have probably heard this thing) at the end of the war, a lot of these wholesalers and a lot of the retailers wound up with a basement full of wine that they didn't know how to sell. A lot of it went bad; it was made bad, it was bad all the way through. Therefore, there was a sour taste in the mouths of wholesalers and retailers on the wine sales.

Teiser: It was illegal too, wasn't it? To so-called tie in sales?

Skofis: Well, in those days, there was a lot of stuff that was done that was probably illegal. They had the O.P.A., which controlled prices. The distillers found if you changed the specs on a wine such as sugar level, they could create a newer higher priced item to substitute for the O.P.A set-priced one. I know here in Fresno that they were pushing, for instance, brandy. They made a lot of brandy in those days. As soon as it got two years old, and eligible, they'd sell it, and it was really terrible brandy. By today's standards, you wouldn't use it for anything; you'd re-distill it. But they were pushing it because it was dollars. That's the reason the distilleries got into the wine business, basically. And eventually, some of them, after the war, of course, got into imports gradually, and this thing started to snowball after a few years.

But their interests were strictly trying to sell high-alcohol dessert wine at low tax to substitute for the less available whiskey.

Italian Swiss Products

Teiser: What products did you make at Italian Swiss?

Skofis: Well, we made chiefly dessert wines; we made a lot of brandy. We also would make every year a certain amount of white and red table wines, the emphasis being more on the red table wine. Some of this red table wine would then be sent up to Asti and blended. It was not the main wine. In other words, they might use 75 per cent north coast red wine and 25 per cent valley, just to balance out the costs.

We were making white wines. We started at about 1950 also doing the cold fermentation. We would ferment some early grapes. For instance the Palomino grape, we'd harvest it early, and I mean early--it was harvested at a very low balling, around fifteen balling, which gave it the highest acid. We would cold ferment, or we would try to cold ferment. When we said in those days cold fermentation, we meant sixty to sixty-five, maybe sixty-five to seventy degrees. As cold as we could ferment it. But there were some fairly good white wines made at the time, and those again were used to augment the north coast wines.

On the other hand, the red wine was the biggest seller. You'd sell almost three gallons of red wine to one gallon of white wine. So the white wine was not as in demand at that time.

Teiser: Were they still selling it under that Tipo Red and Tipo White label?

Skofis: Yes, but the Tipo Red and Tipo White label were really 100 per cent coastal wine. They were very particular about that particular label. The Italian trade in New York, where they sold a lot of red wine, was very sensitive to having a dark, heavy-bodied red wine. Also, they were sensitive to the quantity of alcohol in their wine. I used to make a lot of what we called dry port, a dry red wine that had been fortified up to 23 per cent alcohol. We would ship that to New York, where they would blend in with the other red wines that were shipped in bulk out of Asti, and make what they called Fior d'Italia. That was a big bread-and-butter item for Italian Swiss in New York. It was not only high alcohol, you had to make it at least 13, 13-and-a-half per cent alcohol. It had a certain amount of residual sugar in it, because the Italians were used to drinking that high-alcohol, very slightly sweet, heavy red wine.

It was the biggest red wine seller in New York. In fact it was so big that there was one year we ran into bad color conditions. We expected a lot of the red color to come from some dark red grapes we'd get from Fresno to balance out the color. As that year was kind of a bad color year, we would ship ten, to twelve, cars at a time of bulk wine to the main bottling plant, which at that time was in New Jersey, G & D Bottling Plant. G & D was owned by Italian Swiss and National Distillers, who had purchased Gambarelli and Davitto. At any rate, when they made the red wine blend back there, the color was not stable, and the next thing you know they had nothing but complaints. It wasn't as dark as they wanted it, and they also had reduced the alcohol down to 12.8 level, because that's where the grapes came out that year.

I've never seen so much hell break loose, you know. They had us up in San Francisco, all the chief chemists, reading the riot act, and "Hey, this is our bread and butter; we don't care what else you do, but this is the thing you don't--" Therefore our quality control had failed us. Well, it was true, part of the quality control failed us, but part of it had to do with the distances, where we didn't have the quality control people in New York watching what they did. After a while they decided they would have us do most of the blending out here and send the blend back east for bottling.

We did a lot of bulk tank-car shipments. It was unusual for table wine to be finished back east in that respect. You didn't ship it with any sugar; you shipped it bone dry.

John R. Deane

Skofis: I can never forget General Deane who was president of Italian Swiss, John R. Deane, a real fine gentleman--actually, in my entire career, he's probably one of the best people I ever worked for. He was a very understanding man, very thorough man.

He would come down to Fresno to visit us and he could impress upon you the importance of following some general direction; he'd give you the direction. Then he left it up to us; he figured we had to know how to find our way. You took a lot of pride in your work with him. He was a chief military man under Averell Harriman when they were on the lend-lease program in Russia during the war. John R. Deane wrote a book after the war ended, [Strange Alliance], having to do with those years as a chief military advisor to--well, it was a military mission in Russia. He spent quite a few years there in Russia with Averell Harriman. Averell Harriman, I think, was instrumental in him coming into National Distillers, and then eventually with Italian Swiss. Fine gentleman, really.

Teiser: And the fact that he was not a wine man made--

Skofis: --no difference. Because he had wine people with him, but he was policy maker, and he'd give direction, and he got to know the wine business. And of course, National Distillers had a contract with the Rossi Brothers, Ed and Bob Rossi, and they brought General Deane in, eventually, with the purpose that National would replace them. Not that the Rossis didn't like him, but they wanted to run their own show, you might say. The Rossi's and the Prati's were part of that group that sold to National Distillers. They were fine gentlemen, both Edmund Rossi--Ed's father--and Bob Rossi, who was a sales manager, sales vice-president, and was Bob Rossi Jr.'s father. They were fine gentlemen. Italian Swiss Colony had real gentlemen running the company. And eventually, this rubbed off to everybody under.

Naturally, people like National Distillers were the type of outfit that wanted to have top people working for them, and they also instituted top control measures. They were very professional. As a result after the war they beat Roma out on the wine sales. You could see how marketing-oriented they were. Because of the pushing of a lot of wine onto distributers during the war, Schenley had loaded them with higher priced wine inventories. Whereas National Distillers compensated distributers in this situation but giving them "free" inventory to balance their case cost, Schenley didn't and the result was that National grew in sales at Roma's (Schenley's) expense after the war, or the late forties.

Boom and Bust of the Forties

Skofis: After the war ended, in 1946 they had a big crush year. That was the biggest crush year they had had, ever. They crushed over a million and a half tons of grapes in California, at a very high price. And I mean high price, like even Thompsons and Emperors I recall in December 1946, in the effort to corner the market on wine, both Schenley and National went out and bought grapes late in the season, Emperor grapes. These are table grapes. They bid against each other, and we crushed ten thousand tons of Emperors into dessert wine, at $115 a ton! One hundred fifteen--that would be equivalent today to maybe four or five hundred dollars a ton. In the effort to go ahead and have all the control of all the inventories, Roma contracted with many of the wineries in the area to make wine for them at two dollars a gallon. Two dollars a gallon for dessert wine! Today, you know, we sell dessert wine, maybe two dollars a gallon.

So in the spring of '47, just like the stock market crashed in 1929, you had the big crash of wine prices.

Teiser: Do I remember that Gallo sat it out; didn't buy that year?

Skofis: Gallo was in those years a very small operation. They didn't have the cash flow. They always had a cash problem. We thought Gallo was doing a pretty good job of making wine, but they were just a medium-sized winery, in our estimation. They did not, you're right, get involved as much, because they didn't have the money to buy the grapes. I think if they had had the money, they might have done it. I don't know; this is my own viewpoint. There was a few other wineries, for instance, that made wine for Gallo--they didn't get hurt.

In 1947 with that big crash, they all started to write off their inventories down to what the market value was. Italian Swiss wrote down millions of gallons, and millions of dollars. The Roma and the Schenley wrote down many millions of dollars. But they also would up with heavy inventories. So in 1947, for instance, in Roma here (I came later) they crushed hardly any grapes that year, because they had too much carry-over. At Italian Swiss, we crushed what was considered somewhat of a normal crush. We were growing. But the thing National Distillers did that Roma didn't do: National Distillers went to the distributers--say, for instance, they were X dollars over the market price per case; they said, "Okay, we're going to bottle and give you extra wine to sell free. We'll balance it out. So, if you have three cases, we will give you a case and a half, and that will average out all of your wine--" see, four and a half cases will have a certain value, each one "--and you can sell them on the marketplace and come out of this

Skofis: mess." And they did that, and they really sold themselves. You know, the distributers said, "Now, that is the way you should operate."

I remember, we had a bottling plant here at Clovis that was a brand-new million-dollar bottling plant that we operated for almost three months bottling out inventory strictly to give away to the distributers.

##[phone interruption]

One of the things which I thought, observing that time as a young person, helped Italian Swiss, their attitude towards their distributers was such that they really got their confidence. Whereas, the Schenley-Roma people, they really didn't do very much for their distributers, and as a result, the distributors became a little more independent too. All of a sudden, whiskey stocks became freer. They knew that the war was over, they could produce more--they got a little more independence rather than a dependence on the distiller. That kind of was the beginning, you might say, of the Roma high-sales era starting to go down.

When I came here in 1955, Italian Swiss had exceeded Roma in sales.

Teiser: How did you happen to decide to come here to Fresno?

The Gallo Option

Skofis: Well, in 1953 the Gallos offered to buy the Italian Swiss Colony winery, the whole system. The National Distillers got into the chemical business in 1952. They went into petrochemicals. They had a president, John Bierworth, who, being a banker and coming from the bank, believed that no investment should be held onto if it wasn't giving six per cent return. He was looking at the wine business, a vast business that apparently wasn't getting quite the six per cent return. He saw the petrochemical business coming along, and it influenced him going into chemicals. National Distillers were running short of cash just about that time; the Korean War was on, and money was tight, 1952. He convinced them that they should sell.

Well, because of the fact that they were going to sell the wine business, it resulted in General Dean and Larry [Bruno C.] Solari leaving Italian Swiss. They resigned; they weren't going to be a party to what they thought would be a dismantling of their

Skofis: efforts. They had built the sales up to the point where they were the biggest selling brand in the United States of wine. They were bigger than Roma.

Roma had a lot of gallon sales, because they sold a lot of bulk. Italian Swiss didn't do much bulk sales, they had a lot of franchised bottlers in those days, as you may have been told. They had a bottler in Chicago--they owned that bottling operation. They owned G & D. They had the bottler up in Boston; they had one down in the southern states. They had some in Texas. These franchised bottlers, we would ship them the wine, and they would bottle it under Italian Swiss label and sell it. So we shipped bulk wine out, but we shipped it to be bottled under our label. So we were the biggest-selling brand name, as such, Italian Swiss. General Deane protested this: "Look, this is what I've come here to build up, and now you want to sell it, I want no part of it." He was that type of man. So they brought out at that time Adolf [L.] Heck to be president of Italian Swiss. Adolf Heck was associated with National Distillers through a very close family friend, and Adolf Heck at that time was working at Lanson Champagne in Ohio. They were a champagne operation. Adolf came out with his brother, Paul Heck.

They came into Italian Swiss at that time. Paul Heck, I think, had been out maybe a year before that, working up at Lodi. I don't remember when Paul came out, but I know Adolf came out, and he became the president after General Dean resigned. But we were not privy to the fact that they were trying to sell in 1952. But in 1952 you knew there was something going on at Italian Swiss, because we crushed a lot of grapes in 1951, again, at a high price again--crazy pricing, more than they could afford--and in 1952 we had a pretty big inventory. But then they decided that they were going to crush very low and use up their carry-over wine inventory. We had the lowest crush that I'd experienced in my time. But then, we never contracted for one grape. We bought all our grapes what they call "over the scales;" they deliver them to us, we buy them. Generally you'd go out and contract with a grower to deliver the five hundred tons or whatever it is of grapes. That year we did not--well, if we contracted, it was a very small tonnage. Just special growers that you had for years.

Most of the tonnage we crushed, which was very small--I think we crushed forty thousand tons, when we were used to crushing eighty thousand--was done with growers who would come and deliver the grapes to you at the scale. You'd check them, and you had a price. You'd post every day a price for grapes, daily post. If a guy would come down and he didn't like the price, he would go elsewhere to sell his grapes. Whereas in '51, we started off at fifty dollars and wound up at sixty-five on Thompsons, in '52 they dropped down all the way to twenty, twenty-five dollars a ton. So the grower took a beating in 1952 for all grapes sold due to the large 1951 crush.

Skofis: It was a very important period in my life, to understand this business, and I talked about some of these things, and you're liable to think it's just fabricated. It isn't. Because, you know, you just go back and you can live through that period. Anyway, General Deane, in '52 he resigned, and in the early part of '53 the Gallos looked at the operation to buy it. It surprised us. Bob Rossi was the winery manager and I was, as I said, the plant superintendent; I was the chief winemaker. All of a sudden, bang. The Gallos come in one Monday morning with their crews to take inventory [laughs], and we weren't told about it, maybe fifteen minutes before, to be prepared. So they swooped down on us, and the main thing is they took samples of all the tanks, and then all of a sudden we were told, "Anything they want, open up the books to them."

Ordinarily, you don't open up the books to a competitor. Everything, on sales, who to ship to. Well, it turned out that Adolf Heck, who had a fondness for me because he'd really liked my style of operating, he told me later in a private conversation, he said, "Elie, they put up a $35,000 option to buy, that's all." They had a three month option, at $35,000. If they didn't buy, they lost the $35,000. They gave up their option.

Their option was up; they didn't buy the company. We felt relieved, although Julio Gallo had come down, and visited us many times, and said he was going to be happy with us and everything else.

So when their option was up, we figured, well, National Distillers has to stay with the business. But you know, it was kind of a depressing period. You figure, big company like this wants to sell out.

Skofis: I heard later, when I came to Roma, that Gallo had even gone to Schenley and tried to see if they could venture the thing, buy it together, and buy it as a separate company. Gallo would probably run it, and they would—but I think that Schenley was probably concerned about monopolizing the wine business, and they weren't doing a good job at that time anyway, running a business. So they gave it up.

The Sale to Louis Petri

Skofis: But, lo and behold, within a few days after April first, Louis Petri bought Italian Swiss. His father was, as you know, a director on the Bank of America, and I guess he was influential in getting the money, and he bought Italian Swiss out--the whole deal.*

By buying Italian Swiss brand out, he got a lot of inventory. He bought it, from what I understand at that time, for about 32 1/2 cents a gallon. That's in the early part of April. We were, again, Bob and I, surprised. The Fresno Bee called Bob up and said, "Hey, we just heard that at a board meeting in Delaware, Italian Swiss was purchased by Louis Petri." We didn't know anything about it. Lo and behold, that afternoon, down comes Mr. Bianchini** and Paul Heck, and he was bringing Mr. Bianchini to see the winery for the first time. Never seen it. He bought it, and he hadn't seen it. He introduced us, and that was my first exposure to the Petri organization.

But the thing that was a rabbit's foot in Louis Petri's pocket was, ten or twelve days later, we had one of the worst freezes we'd ever seen in the California grape industry. About April 15, which was just about Easter time--the old-timers would tell you, if you're past Easter, you may not have to worry about freezing—it was just before that time. We had what they call a black freeze. Two days in a row, we had freezing.

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* See Louis A. Petri, The Petri Family in the Wine Industry, an oral history interview conducted 1969, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1971.

** Lelio Neil Bianchini, known as Bob, was a cousin and associate of Louis Petri.

Skofis: I recall going up to Lodi area to a demonstration, and rode up with one of the local wine people. We'd share rides if I didn't have my own car. He offered to go up and take me with him; I went with him. Driving up that morning, we could look at the grape leaves that were just coming out, and they were black. That's what they call a black freeze. They weren't green any more; they were black. It was a very, very bad year on the grapes. Very low crop. Here was Louis Petri sitting with inventory purchased at 32 1/2 cents. Within a period of thirty days he made over three and a half million dollars in evaluation rise. And he only put a million dollars down to buy the winery. Because the rest of the money the Bank of America lent, for the simple reason that they were rich enough, and they were trying to stabilize the grape and wine industry, and his father being on the board of the Bank of America. Angelo Petri, a very fine man, too. They made oodles of money. Plus the fact, Louis Petri at that time had the Mission Bell winery that he had bought from Arakelian, you know, in 1950. He was running the Mission Bell winery, which is today the big Heublein operation in Madera.

Then Louis Petri co-oped that in 1951.* But in co-oping it, he kept the marketing organization. But part of his deal with them was that he would put in so many of his grapes into the co-op, and I think he was putting in 30 per cent of the grapes or substantial tonnage he had to put in as a co-op member. So he'd go out and buy grapes and put them in. He had a lot of inventory of his own up there, and more than the co-op required. Well, this excess inventory was the most beautiful thing for him, because he took all that inventory and used it in Italian Swiss wines. As a result, I was getting a lot of that wine out of Madera, here, and was told, "Okay, Elie, blend it out." The reason I remember that, I had some wine come to me that was in pretty bad shape, and I had to do something about it.

So in 1953 Italian Swiss was purchased by Louis Petri. Mr. Bianchini, who was their production vice-president, kept telling me, "Elie, you're going to have to come up to San Francisco and help me on this little set-up we have, big organization. You better start to think in terms of San Francisco."

That was just, to me, anathema. It was just completely out of the question. I was a young man with a couple of young kids. Telling me to go to an office in San Francisco, that's no way to be a winemaker! I was a winemaker; I wasn't going to become an office man, even though I realized there was a lot of good things about it. And of course, Louis Petri at the time said, "Hey, we'll buy everything." But I just was a little queasy about the whole deal.

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* Creating Allied Grape Growers.

Skofis: I wasn't really looking around, but in early 1955, Christian Brothers, Herman Archinal, who was the man in charge of the Reedley operation, contacted me. I was recommended to him highly by E. M. Brown.

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--I'd been recommended to Christian Brothers by E. M. Brown, who had retired from Italian Swiss, and who at that time was doing their work and trying to help them set up their champagne business. That's when Christian Brothers (this was about 1953, '54) decided to go into the champagne business, but they went into the charmat process up at the Greystone Winery, which is up in Napa valley. And E. M. Brown, being the all-around wine man, making champagne bulk was no problem for him. But he recommended that they contact me.

They were interested in getting a manager for the Reedley brandy operation, and I had quite a bit of experience with the Italian Swiss brandy production, which I did all of it at Clovis. Herman Archinal contacted me, and told me that their intent was that I was to go to work for them, and he was going to then be transferred to San Francisco, and up into the Napa area, to become their top production head.

We came down to just about finalizing the whole thing, this was a period of a couple of months of negotiations.

The only problem that was kind of a discouraging factor to me was that they wanted me to move to Reedley. My wife wasn't interested in moving to Reedley, so I'd have to commute. We were very shy about traveling on the highway because my mother had been killed in an auto accident the year before. So we really were shy in traffic; the whole family was gun-shy--traveling on highways and cars and everything.

III ROMA WINERY UNDER SCHENLEY, 1955-1971

Skofis: Well, lo and behold, Roma contacted me. Mr. [Richard C.] Auerbach, who was the quality control director for Roma wines, contacted me and said that they were interested in getting a new production manager for Roma. Of course, my first question to him was, why come to me? You guys are loaded with people. They were overstaffed. He said, no, he was asked to contact me, would I talk to their production head, Col. Burton, A. H. Burton, who was in charge of the whole west coast Schenley production operation for wine and the spirits bottling. He had succeeded General Herbert, who at that time had been promoted and went to New York as the top production man for Schenley Industries. They in turn promoted Col. Burton to take his place. He'd been the second-in-command here in Fresno.

So I had my discussion with Col. Burton, who was very eager, and I saw an eagerness that they wanted me to come with them. I was very open about it; I said, "Well, why do you want me when you have all these other people here?" He said, "The reason is, we want outside thinking. We know the organization of Italian Swiss is good; you guys have done things there, and of course you were highly recommended by Mr. Auerbach, and we've heard about you. We know about you from the Wine Institute." I was at that time chairman of the technical advisory committee of the Wine Institute. "We want outside blood; that's all we want."

And, of course, they made a money offer that just [laughs] was much better than Christian Brothers, although it wasn't--I wasn't bidding up the price; this is what they told me they could do for me. The only thing I had a concern was, I didn't want to work under Mr. Auerbach. I said, no, under no condition I'd be working directly under him. Col. Burton said I would be in charge of all the brandy operations and spirits distillation, plus the wine, for the Roma. And at the same time, I would be his chief technical advisor. Technical advisor meant that he would always have technical problems come up, and he wanted to tap into me, although

Skofis: he had a chief engineer here. The chief engineer was in charge of equipment. He wanted the winemaker's viewpoint on any changes that were taking place in processing and equipment needs.

So I agreed, and I had to let Christian Brothers know, and they were kind of distressed because we had so many discussions and all of the sudden I decided to go the other direction. But what it meant to me: I would stay in Fresno, and it was a challenge. I felt concern of going to San Francisco with Italian Swiss, and of course, Roma was still big, and they told me the big turnaround plans, and it would be bigger than Italian Swiss. I figured, well, there's an opportunity; there's a challenge. And I did come over here.

Unfortunately, when I came over here, within a period of six months I could see that Mr. [Lewis R.] Rosenstiel (who was president of Schenley Industries; he was the owner, you might say, chief stockholder and everything) that he was not really that oriented with wine. He was not that in love with wine any more. It was just another tool to him; strictly a big corporation. He was into whiskey. I could see there wasn't going to be too much for the winemen, but I was here, so I had to make the best of it.

Reducing Losses

Skofis: On the other hand, General Herbert, like a general, came out here, and he wanted to meet me, and in this room here--I was right over there, and he was here--he said, just like a general would tell a private "Your mission is to reduce our losses." They had tremendous wine losses here. They were much too high, much too high. I had been reviewing them. It was within a few weeks after I came he told me this, but I had started to review them because they had a real bad situation.

They had losses twice what the industry average was. They just didn't know what to do about it. So I said, "Okay," I'd do my best at it. I made a study It took about two, three months. I had a very competent secretary who dug into a lot of facts for me, and I would dig into the whole wine finishing procedures. I had to dig into everything they did, from the time they made their wine until they bottled it: what was it that was causing all this? And it turned out that they were doing multiple operations; they were beating the heck out of the wine.

So I took what they were doing, and what I had learned to do at Italian Swiss, found out that I could cut the procedures in half, and I was sure that we would reduce the losses considerably. Well, the big deterrent in this whole thing of doing it was to

Skofis: convince Mr. Auerbach that this was the way we could stabilize wine. He was concerned that if they went to my procedures we would have a lot of unstable wine. In talking this over with Col. Burton, I said, "Look, if you don't do it, you're never going to get the reduction in losses." Well, what assurances do I have? For instance, they were refrigerating red table wines three times: refrigerate, filter, refrigerate, filter, refrigerate, filter. Well, each time, you had that much more loss. And in the end, the wine became water and alcohol--

Teiser: Who had initiated this?

Skofis: Well, this was always one of the things in Schenley. They were always triple-assurance, I called it--everything they did. They really had to cover their butts in everything they did, and I thought it was stupid to take a good product and beat it to death just to be sure that it would have no hazing about it. It was a lot more. And fortunately, my experience in quality control at National Distillers came into play. I said, "If we don't institute quality control measures, follow through with them, and be timely and schedule our work--we're always going to have problems."

Well, Colonel Burton saw that I was being more systematic about it, so he insisted that the procedures I had be instituted, and they were to be followed without any reservations or without any attempt to sabotage them. On the red wine, it was agreed we'd go twice, instead of once or three times. And eventually I cut it down to once, by installing some other method of refrigerating cold. Their insulation was very poor there. But they never studied why things happened; they would just happen and they'd repeat it over again, and finally they got it right.

Within a year's time, I cut the losses in half. Over half. And of course, that saved them hundreds of thousands of dollars. And of course the whole organization at that time was talking about it.

For instance, I would go out into the winery, and they would have a leaky pump, and they would catch the wine and put it into a bucket. Then they'd take the bucket and dump it into the sewer. I said, "Hey, that's going to go into a barrel, it's going to go into a drum, it's going to go into distilling material; it's still got value." They would wash a tank, and once it drained out they would have a little bit of wine just there. They'd say, "That wasn't worth recovering." I said, "You're going to wash it, take that wash water and put it into filter wash tank, and then we'll distill and recover the alcohol."

Skofis: Well, this reduced the losses in half, and they were really amazed. General Herbert, when he came back, he said, "Well, I guess you've got your mission accomplished." So I felt like a good soldier after a campaign, you know. [laughs]

The whole thing in Roma was one of a corporate set-up in New York, with the sales in San Francisco and the production in Fresno. And there was just too much decentralization, and really no strong person in between on the entire wine business. They had a man in charge of the sales, and they technically carried him as president of the wine company. He didn't have anything to do with that; he didn't even care whether we needed to buy a pump or anything. The production people would report to the people in their Cincinnati office. So you had the whiskey engineers and the whiskey production people coming out here and finding out what your needs were, and they would many times say, "No, we don't have the money," or something. They were very slow in spending money to improve their procedures.

And I had a hard time to really get them to realize, that they had to make certain changes. Their distillery setup was very poor out here. They didn't operate it right.

Improving the Distillery

Teiser: What distilled products were they making?

Skofis: Well, we used to make a lot of high-proof to put into dessert wines. Therefore, you know, when we were making a lot of dessert wines here, maybe half the grapes went to high-proof. That means that you have to have an efficient distillery operation. They had a very poor way of recovering the sugar from the pomace, and their efficiencies were low. I did a lot towards trying to get them to reduce the amount of wash waters. We used to have something like three hundred gallons of distilling material per ton of grapes crushed. We finally got that down to a little under two hundred, which was a big, big reduction. And the total number of gallons that had to be distilled. This could amount to six to eight million gallons less being distilled. At today's energy cost it would have been prohibitive.

[interruption]

Teiser: You were saving a lot of money--

Skofis: Oh, yes, the distillery operation here, the production here was not quite up to par. The daily crushing capability was not here. They would create so much distilling material by the procedure. So I

Skofis: told Col. Burton we could resolve that. I had to do something that was kind of novel in the industry. I had to put in what we call a stripping column strictly for the wash waters. The wash waters were very low alcohol, and they would of course fill the pipeline. So I wanted to get a new pipeline, going to a separate distilling operation that would take care of these low-alcohol washes, which eventually would be fed into the main stream. And he could see it, because he was an engineer too. And being that I had a chemical engineering training. We had a hard time selling our engineer on it, but he told him, "You do what Elie wants, and don't argue about it." [laughs] The engineer was starting to fight changes saying we would be using extra steam. He was perturbed because he hadn't thought about it. It was kind of embarrassing to him. He forgot that we needed to reduce costs elsewhere and could easily afford a slight increase in steam cost.

But Burton recognized that something had to be done. So we did that that year, and we increased our daily crushing by almost 35 per cent. We put that many more grapes through the winery, cutting down the crush days, cut down on costs, and in the distillery we were able to handle all the distilling material and not have a lot of it all over stored in many tanks. We had more tanks available for better use, and he was extremely pleased. So here I cut down their losses fifty per cent; I improved the efficiency of their operation there. So then, at the same time, he said, "Since you're the wine division manager, I want you to go to the operation down in Delano--" what they called the Cresta Blanca winery, which was only for dessert wines. He said, "Improve that operation down there," which we did. We did the same thing there a year later.

Teiser: Cresta Blanca has certainly moved around a lot.

Skofis: That was the second Cresta Blanca. They just had that name, Cresta Blanca, because they used to make dessert wines for Cresta Blanca. Basically, only a small portion of the product that came out of that winery went to Cresta. Only the sherries. They used to make the sherries down there using the Palomino and the Pedro Ximenes grapes. We had Pedro X grapes in the company vineyards.

Schenley Industries at that time had five thousand acres of grapes in the Delano area. Production was somewhat in the area of thirty-five thousand tons of grapes, and that thirty-five thousand tons of grapes would—practically all of it--would go to the winery, except for around eight to ten thousand tons that were table grapes. They would try to sell them off for packing, shipping, for table use. If they couldn't sell them as table grapes, they would crush them for wine.

Skofis: Well, with those two things, within a couple of years Schenley were very much impressed with what I had instituted. On the other hand, our business was not growing fast. Italian Swiss was growing bigger and bigger, and Gallo was coming up, and Gallo passed us. It was kind of a discouraging period because I had some good ideas, and I couldn't put them into force. I couldn't get new equipment, because always the people back in Schenley I could see didn't want to spend too much money on the wine business. Make do.

Teiser: Were you also making whiskey or something else?

Skofis: Yes. We were making a brandy here. By the way, I improved the brandy operation quite a bit. They would just distill anything into brandy. I said, "No, we're going to use wine and make it into brandy." And any residuals we would not make into brandy. Well, I had a hard time convincing them. I explained that we would use the residuals to make the high-proof, then put this into the wine, to make a lighter flavored brandy and use it along with the heavier flavored brandies, rather than have a conglomeration of distillates, some from good grapes and some from poor wine. So, we finally got that stabilized, and the people at Cincinnati agreed and approved to have such control of their brandy quality.

So we were able to do that. See, a lot of these things they could have done, but there just was no direction. They just didn't have that understanding of the necessity for consistency in quality.

Whiskey and Rum

Teiser: Did you make grain spirits, too?

Skofis: Well, in 1951 here, (that was before I got here), because of the Korean War deal in '50-'51, Rosenstiel decided he was going to make grain spirits out here, and also whiskey. So they converted part of the wine fermenting room over, and actually made bourbon whiskey. Bourbon whiskey had been made at the American Distilling Company up in Sausalito, if you recall. It was the only bourbon whiskey that had been made out in California. So now all of the sudden Roma and Schenley put down somewhere in the vicinity of ten thousand barrels of whiskey in 1951.

In 1956, with new crises from Berlin and other areas, Rosenstiel again decided, hey, better start to put down whiskey. He was a believer in putting down a lot of bourbon whiskey. He figured another war was going to come, he was going to have a lot of stock. He had had a lot of whiskey stocks when World War II came on; as a result, Schenley Distillers did well, because they

Skofis: were able to carry on their business, and made a big profit. In anticipation of that, in 1956, we made whiskey, so I participated in that production there. We had some people here, we had a man by the name of Fred Vogt who was the winemaker. He was the man who did my fermenting operation, and he was our winemaker. He knew a lot about this whiskey operation, so we had him in charge, and I participated. I took one of the shifts and worked right along and learned about whiskey operation. We had one of the people from Cincinnati, who was one of the distillers. A distiller back there does the fermenting and distilling—does everything, like a winemaker, they call themselves distillers. And he came out here to help us. He and I got along real well, because he liked a lot of the things that he had seen done since 1951.

So we made whiskey in 1956; we made some in 1957. Two years in a row we made it. And we made it during the summer months, before the grape crush. Well, that was very difficult, because you had to take a winery, separate it over to a distillery operation. You had to wax the tanks; we used to take the concrete tanks and we would put micro-crystalline wax on them, because whiskey is one product where you have to have a very clean fermentation. If you have any infection in the distilling material, or mash, as they call it, that carries through into the whiskey. The secret of making good bourbon whiskey was in the quality of the fermenting material. So if you didn't do a good job of fermenting the grain and then immediately distilled it into whiskey, you'd never have a good product.

Teiser: Where did you get the grain?

Skofis: We would bring the corn--we had corn, rye, and malt--we bought it from the mid-west and brought it out in bulk, and unloaded it here. We used airveyors to unload. The whole thing had been set up, converting a winery to a distillery. John Holstien, our chief engineer, had done a real good job on that. And of course, the engineers back east also helped.

In '58 we made rum. They decided they wanted to make rum one year because rum was getting to be popular. They decided to make rum from Hawaiian molassas. So that I had complete charge of, with one of the people from back east. We handled it, but we had many problems, but we found some ways of controlling them. Molassas is a very difficult thing to work with. You can get infections very easily in the fermentation. So we would add acid to the fermenting medium. So during the fermenting period, we would have a high acidity. We were able to produce a very good rum here, you know. In fact, we produced three grades of rum: heavy, medium, and the light rums. The various grades are all made by different ways to distill.

Teiser: What label were they?

Skofis: Oh, I forget what label Schenley had; we made it here [only] that one year. We made the equivalent of about, oh, maybe eight thousand barrels, which doesn't seem very much, but it's big for an operation like this. You had to have two years of age to go into the white rum. So they'd take the barrels and they'd wax them inside, so it wouldn't pick up color. You'd put it into a barrel so there was no contact with the woods. You aged it in wood. You had to have two years in wood. And the government permitted you to wax up the barrels. So you'd buy the barrels, and you would wax them. Some we put down without the wax, and some with the wax. But that was the only year we made rum.

Then, in 1959 we made whiskey, and then we made whiskey again in 1961. That was all--that's the last whiskey that's ever been made here. But each time, we'd always have to make it during the summer. Except in 1961, we made it immediately after the crushing season; we finished crushing the grapes, and we then went immediately into whiskey operation into the winter, which was a hard operation.

Fortunately that year they agreed to give us some money, and we bought some stainless tanks, and we did all the fermenting in stainless tanks, and we didn't have to go through to do fermenting in the wax-lined tanks. So we had a much cleaner operation, and produced a good product. We still have most of that equipment here, but it's only here because we haven't stripped it out. It's too expensive to remove.

Teiser: It won't adapt to present uses?

Skofis: No, because it's all iron. We had weigh scales up in the penthouse, and we had a cooking vat. We took the cooking vat out. We had what they call a drop tank, where you cool a mash down by vacuum.

Also I'd gone back east for a two-week orientation. Even National Distillers had sent Myron Nightingale and I once on a two-week tour of the distillery operations. We'd get acquainted with the distillers. I made many friends at Schenley. You get to working around with these people, and you begin to get the theory of why you do certain things rather than just do them. But there's a purpose behind them. And once you know the purpose, then you're naturally more concerned with what happens. And the big concern in whiskey operation is, you have to have a clean mash. The mash has got to be 100 per cent clean. If the mash is 100 per cent clean, and you have a good distillation, you produce a good bourbon. We actually had a pretty good bourbon, and Schenley bottled it.

They had a what they call private labels. That's another reason why, in '61, we made it, is that if you made your whiskey in California, or your gin here, you could then have a special

Skofis: operation of selling direct to retailers. So a lot of these products we were permitted then to sell directly to the retailers. We only sold off-brands to them, such as what they called Marigold Whiskey, which was an outstanding whiskey; as good as some of the other bourbon whiskeys but unknown. And we made gin.

Teiser: Marigold?

Skofis: Marigold. That was a really good whiskey. I wish I had kept a bottle just for library purposes.

Cresta Blanca

Teiser: Were you in charge of Cresta Blanca, too--I mean, the original, the Livermore Valley Cresta Blanca?

Skofis: The Livermore Valley--I was a chief technical advisor. I was supposed to be able to review all of the equipment operation. But Myron Nightingale left Italian Swiss in 1953. He went to Cresta Blanca. He was there from 1953 to 1963. In 1963, Mr. Auerbach retired, and they brought Myron down to Fresno and made him the quality control officer. So he was in charge of laboratories and the quality control operation. He spent ten years at Cresta Blanca. He started off as the winemaker, chemist-winemaker, and eventually became the winery manager in, oh, I think it was 1956 or '57. So he was winery manager and winemaker.* He did a real good job up there.

And then, in '63,** he came down here, because they decided that the Cresta Blanca operation was too expensive.

Teiser: Who decided that?

Skofis: The Schenley people, they--the accountants, and Col. Burton--the people decided it was too expensive.

So the decision was made then, in 1963, before Myron came down. Actually, we moved all of the dessert wine operations to Roma here. So all of Cresta Blanca operation, with its Triple Cream Sherry, dry white sherry, and the port, was to be bottled in Fresno. And it was a pretty sizable operation for premium desserts. The wines would be made here, finished here, and bottled here, with a San Francisco address, which didn't indicate it was down in Fresno.

* See Nightingale, op cit.
** 1962 according to Myron Nightingale's recollection.

Skofis: Then they decided that they would have to do the table wines here, too. And so when Myron came down, he came with the purpose in mind that he would be in charge of the quality control also, and oversee that the Cresta Blanca bottling operations to be done without affecting quality. Don Rudolph was left up at Cresta Blanca, he was the assistant to Myron Nightingale. He'd crush the grapes, and make the wine, and Myron would go up there during the season and see that the wine was made right, I would go up there to see that the general production operation with respect to equipment and everything else was in shape. The wine would be made, blended, and sent down here in a finished state. So they would finish the wine there, and they would bring it down here. They'd bring it down in a five-thousand-gallon truck; it would have a thousand gallons of this, two thousand of that, two thousand of that. And they would go directly to the bottling room, and it would be bottled right out. So it was just like having an extended pipeline from Livermore down here.

They had one bottling line set up specifically, so it worked out all right, and still had the San Francisco address, still had the same winemaker, Myron. Myron would look after it to see that it was done right, and that's the way it was handled here from 1963 until about 1971, when Guild bought Cresta Blanca.

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The wine was made up until 1971 in Livermore. At which time, Guild bought out all of the wine operations of Schenley, including Cresta. They did not choose to buy the Cresta Blanca winery in Livermore. They didn't buy that facility. They bought the inventories and labels.

They didn't want the property and they didn't want the vinyards, because the vinyards were really kind of over the hill. They finally were able to get water from that dam that had been established out there by the Veteran's Hospital, but the vinyards by that time were old, and they were very low-production. So you had quite a few hundred acres of vinyard, and you'd get maybe a ton to the acre. That was too expensive to operate; no-one wanted it. And you could see the only purpose it had eventually would be for real estate, which it eventually turned out. The Wente people bought the old Cresta Blanca winery at Livermore and made it into their champagne cellar. They've done a beautiful job, really have. Outstanding.

Teiser: I remember Schenley held it for a while before--

Elie Skofis tasting in the Guild laboratory

ca. 1978

Skofis: Schenley held it from 1971 until about two or three years ago,* and actually the tanks deteriorated and everything. But in 1971, when Guild bought out the winery, the inventories were all moved down to Fresno. We had the oak cellar here, in which we had a lot of tanks--we could move all the wine down here. We ran the Cresta Blanca table wine operation here with respect to bottling and blending.

In the meantime, of course, Myron did not choose to come to Guild. In 1971, he went to Beringer. He was asked to come with Guild, but he got a pretty good offer at Beringer, from Peter Jurgens, formerly president of Almaden who was working on the Beringer deal with William Holt Noble. But Guild kept the Cresta operation here, did the bottling here, until about 1975. In '75, they chose to move the bottling of Cresta up to our central cellars in Lodi, which I protested greatly. But my protests weren't heard.

I said, "You can't take fine wines, small volumes, and take them into a big bottling operation. You're going to have problems."

"No, no, we will handle it; we will take care of it."

We had at that time a man in charge of the logistics operation who was a good numbers man, but he wasn't a wine man. They did that, and lo and behold, exactly what I told him would happen happened. The wines started to get oxidized and had very low shelf life.

In the meantime, though, the wines were being made. Guild moved the Cresta Blanca name to the Mendocino winery that Guild had up in Ukiah. So the premise itself, the Mendocino winery up in Ukiah, became the Cresta Blanca Winery. Unfortunately, that winery was not the kind of winery where you would ordinarily make fine table wines.

Teiser: Didn't you do some revision on it?

Skofis: Yes, during the period of course, when I was in charge of wine production. But during that time Mr. Ted Kite was the vice president in charge of production, and I worked under him as the production operations manager, in charge of all the winery operations, from Ukiah all the way down to Delano. We had seven operating wineries.

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* The Wente family bought the property in 1982.

Skofis: We would make the wine up at Mendocino, with the Mendocino grapes, but we had an imbalance of grapes. The imbalance was having too many grapes for use in generic wines rather than the classical grapes for varietal wines. The wine would be made there, brought down here to Fresno, and we'd finish it and blend it here and bottle it. Well, after a while the wine which was made in Ukiah, was brought to Fresno, finished, blended, and bottled in Lodi. Well, that was just too much. I protested strongly and said, "If you're going to stay in this premium wine business, you'd better do something at the Cresta operation."

Well, they could see that they wanted to stay in the premium business. They moved too slow, and by 1980, though, we did build--added on to the Cresta Blanca winery what we have today. I don't know if you've had a chance to visit, but we've built in there an entirely new building, under roof, forty thousand square feet. We moved all of the oak cellar tanks up to use for storage of wines. We put a bottling plant up there, and we put in an oak barrel aging area and added outside around the Cresta Blanca winery a lot of stainless tanks for crushing and fermenting. The original winery, which was made of large concrete tanks, the only use we have now is if we're having a lot of generic type of red grapes, or white grapes, we'll use it. So we have the old winery that we hardly use, and around it is built the modern winery.

Teiser: You're doing some custom crushing there, aren't you?

Skofis: We do a lot of custom crushing. Actually, right now about seventy percent of our crushing is custom crushing. We have a waiting line. People like what we do up there.

Teiser: Seems to me Ansley Cole said you're making the base wine for his potstill brandy there.

Skofis: Yes. We make his wines for his Alambic brandy. I like Ansley Cole and we want to help him. It's an acommodation--I personally told him we're going to stick with him--I think it needs help, I like his whole approach to what he's doing, and there's no reason why we can't help him. It's a very small tonnage for us. Actually, we're doing thirty times what he's got. We have some big wineries up there that want some additional crushing.

The Sale of Roma

Skofis: But before we went on to Cresta, where were we?

Teiser: We were at the sale to Guild. Could you explain?

Skofis: Okay.

Teiser: Let me ask you to tell about the sale to Guild of this facility that we're in now, Roma.

Skofis: Well, Schenley, in 1968, decided they were going to go out of the wine business. The primary reason, and it should be a matter of record, and I think you should know about it, was that they were pushed into signing a contract with Cesar Chavez for the five thousand acres of grapes down in Delano. Cesar Chavez at that time had a lot of influence. The auto workers union, as you know, were sponsoring this, and of course the Kennedys and a lot of the politicians--they were on the bandwagon for Cesar Chavez. They decided they were going to tackle a big person who was vulnerable, to union pressure [Schenley].

How was it vulnerable? It was vulnerable in this respect: they were trying to, naturally, get Schenley to recognize Cesar Chavez, and get him to organize the farm workers down there, and particularly in our case. They weren't even a union; they were a committee. The committee didn't even have a charter as a union. So Schenley said, there's no union, why should we deal? Well, that to them was just nothing—didn't mean that much. But the United Auto Workers went out of their way with the secondary boycott, and they would go into the bars in the Detroit auto workers' area, for instance, and other areas, and they would tell the bar people, they said, Anything with Schenley, you pull it off the shelf or we won't come in here again. So they targeted themselves against Schenley, put the pressure on them from the whiskey point of view, which was really a very bad thing to do, but they did it. They could do it in those days, under the Labor Relations Laws, and Schenley did not want to make a big deal of it. They would have the whole labor movement against them.

So Mr. Rosenstiel decided at that time, even though he had one group of attorneys negotiating what they might do with the farm workers, and he had another guy on the side dealing with Reuther and his group [laughs], and finally the guy on the side dealing with Reuther prevailed.

To show you how far apart they were, the man on this side dealing with Chavez was a man by the name of James Woolsey. He was a general counsel for Schenley out here on the west coast, and a fine gentleman. He's still living, and he's down in Mexico, retired. Jim got off the plane in San Francisco after he had had a session with Mr. Rosenstiel in Florida, and he was immediately met by a lot of reporters. "What's this we hear that Schenley has signed a letter of intent to recognize the farm workers union?" He said, "I don't know anything about it." "Well, yes you do." "Well, I have no comment." He was smart enough to say that. He went back to the office and he called up, "What give?" He was

Skofis: told, "Yes, Lewis Rosenstiel signed." And I can't recall the attorney down in Los Angeles who was handling the deal with Reuther, and was a close friend of Reuther's. He had got this letter of intent signed and had the Schenley authority to do it.

So, here we have one guy signing a letter of intent while Woolsey is negotiating. There were two negotiations. Reuther's guy prevailed. So they signed up with the union at that time. All the five thousand acres, all the workers, was unionized. Well, you can imagine the problems that arose after that. So Schenley decided they were going to get out of the grape business. They started by trying to sell the grape acreage. Nobody would buy it, because the contract said that the successor to the purchase of this grape acreage had to be union. So how could you sell five thousand acres of grapes to any interested group, "I don't want to deal with the Farm Worker's Union; they'll tell me how to run my operation."

They were really not organized. Cesar Chavez had a lot of wild people with him at that time, and they had all sorts of big ideas. They were going to use the old closed fist approach to problem solving and everything. Immediately the wages went up, and they did get a contract. Very expensive. Took all the profit out of grapes, you might say, the kind of profit Schenley wanted. The grape prices were down, everything was bad—so Schenley decided they had to get out of the wine business. And they were going to try to sell the grapes off. They tried to get a fellow by the name of Roberts to buy the acreage. He was a big producer of grapes down there. He was going to buy the grapes and the winery and everything else. But I think he looked at it, and shied away from it. I can't recall his first name, but this fellow Roberts was kind of helped along in all of his endeavors by this big financier out of San Diego, C. Smith. The old fellow that went to jail--remember him? Poor guy. Savings and loan man. He had a lot of money, and lent it out freely. So he had built Roberts up to a very big farm operator. And Roberts, by the way, just died here a few months ago, in Arizona. I'm trying to think what his first name was.

Well, Schenley mainly decided to get out of the wine business. In 1968 they were negotiating with Bob [Robert] Setrakian to buy the wine business. And Bob Setrakian was going to buy the wine business but not the land. He would buy the grapes. Schenley would have to continue their farm operation and furnish the grapes to him, and he would crush them. That deal fell through. Schenley people found out that with the turn of the wine business, all of a sudden the wine business got to be a good way to sell whiskey. They sold whiskey in this respect: they went into distributor houses, and they would say, "Well, why should we carry your whiskey

Skofis: line?" They didn't want to discount the whiskey case goods. They said, "Look, we'll take care of the discounting through our wine. You've got to sell our wine."

So they were using wine as a vehicle to discount whiskey. And this is one of the things they did. So they had a pretty good distribution and sales network.

Of course, I don't think when Guild bought that they knew all of these inner workings, or all these side deals. Schenley wanted to get out of the wine business, everybody knew about it. Guild struck up the deal in 1970. They started the negotiations going in mid-September 1970, somewhere about that. I had an inkling by July that they were going to maybe sell to Guild, and they started on the contracts.

We already had contracts set up for the sale, when we were working, to sell the wine business to Setrakian. So they negotiated it and sold it out to Guild. Guild bought it for--I can't recall now. They bought the wineries very cheap, and they bought the inventory very cheap. They bought the vineyards. But the vineyards they bought were on the premise that they would re-sell them the same day they bought them to Buttes Gas and Oil, which owned White River Farms down in the Delano area. They were in the farming business too. They sold them the day that Schenley sold the wine business entirely to Guild; Guild turned around in the same escrow deal and sold the five thousand acres to Buttes Farm. Buttes Farm then became a big co-op member, and all the grapes came into Guild as a co-op member, so they had a home for them.*

That was in 1971. In 1972, Buttes Gas and Oil couldn't negotiate a contract with the Farm Workers. They just couldn't come to any terms. There was a strike with the Farm Workers against Buttes Farm for the fact that they would not renew the contract under the union terms. It was a big strike. And that year, Buttes Farm harvested less than half their grapes. They went in and they tried to mechanically harvest it; vines that were not intended to be mechanically harvested. They did a lot of damage to them. But anyway, they finally got the big part of the crop out. And they never did recognize the Farm Workers Union again.

So the Farm Workers, of course, reacted to this and boycotted a lot of Guild products. They hurt us particularly up in the Milwaukee area, in our brandy. They had a lot of the Wisconsin union people boycott buying Guild brandy. We were a strong market in Milwaukee, and they actually hurt us there.

Eventually Buttes Farm started to pull vines on the five thousand acres. There were a lot of marginal vinyards down there, so they would pull the vines, and there was no more--it was raw

Skofis: land. They sold a lot of the raw land off to people who planted a lot of walnuts down there, and planted almonds. They even sold off a couple thousand acres to another outfit, Farm Financial, which was an investor group. They were going to go ahead and venture this acreage out. They had a lot of limited partners, schoolteachers and professional people, and they became the general partners. The craze was to get in the grape business, and in 1972, '73, a lot of people invested money in Farm Financial. Farm Financial didn't go anywhere, and they had problems. For one thing, the vineyards were not good. They were low production. They wanted to get more money for the grapes than they were worth. It got to be a bad scene for Guild, in that set-up down there.

So gradually, actually after all this time, some of the original people that bought some of the land still delivered to us. Some are co-op members. But we don't have that big tonnage out of that area any more.

Essentially, Schenley Ranches grapes were pulled and planted into cotton and fruit trees. The whole operation was completely disappearing. The five thousand acres was just broken up into two hundred acres, three hundred acres. Farm Financial got into financial problems, and they went into bankruptcy and all the financial problems. And then of course, Mr. Chavez was still down there.

Teiser: When you decided to buy the Schenley properties, who gave the impetus within this organization to do that?

Skofis: Well, actually, it was a firm up in Palo Alto, and it had a fellow by the name of Gretzinger. He was kind of a finder. He always would be in contact with New York, with people. He knew about the Schenley intent to sell, and he was one of these people that could put deals together and work them out. He's the one that came to Guild and said, "You have an opportunity, I think we can work on it."

Guild was trying to grow. They were a small organization at the time. They were not a factor at all. They were in Lodi; they had two wineries in this area, but they were small wineries, which we still have. And we had the bottling operation up in Lodi, and we had a couple wineries in Lodi, and the one up in Ukiah.

So Guild had five small wineries. But they saw an opportunity to double their size, because the Roma operation was about three million cases in those days. The Guild operation by itself was maybe two million cases. They saw an opportunity to double it, plus the fact that Schenley did not want to go out of the brandy business so anybody that bought the wine operation from Schenley would get a nice contract to make brandy for Schenley. One reason I went with the Guild organization was that, being I was the chief

Skofis: production man, Schenley said, "Hey, to make the contract work, you have to go with Guild. And if you're not happy with them within a year, come back to us."

So I agreed that I would do that, and I had the option. That meant that I would either be working here at their retained bottling operation, or go back east, which I envisioned as going back to their main production area in Cincinnati. Which I decided not to do after a year, because I had a pretty good relationship with the Guild people. And it was an up-and-going organization.

Guild bought the Schenley wine business with the purpose of doubling the size. Because of the price and the support they got from the bank and everything, and getting rid of the vineyards, it was a good deal. We were doing all the bottling here, the Roma bottling. Their idea was, now we've got the main winery, we'll move everything up to Lodi and expand that, have a more intensive operation there, and get rid of all the overhead here and just make this a production plant. Then they would take the other plants and just make the wines, and bring them into Lodi for bottling, which they thought was a good idea.

Teiser: What part of this facility stayed with Schenley?

Skofis: Only the spirits bottling operations, from that fence down, went with Schenley.

Teiser: Is that the east--

Skofis: You saw where those tanks were; the eastern part of the facility stayed with Schenley. They continued their bottling from 1971 to the end of 1980, and in '81, they closed it down.

IV GUILD WINERIES AND DISTILLERIES, 1971-1987

Teiser: Did you find it different to work for a cooperative than for a corporation?

Skofis: Quite a bit different, in this respect: in a big cooperation, you really have to do something to show you can produce. You became one of the members of the team; but they looked at you for results. The Schenley organization was one that I did not want to get embroiled in. I was warned about their pettiness here. So when I came here, I decided I would just do my work, I would write my reports out thoroughly, completely, give them to the top man, and they could do what they wanted with them. That's exactly what happened. I would tell Col. Burton directly, "This is what we're doing," and I would give him a long report. He would take it, rummage through it, decide what he wanted to do. A lot of times, he would come back for more information and action, or he'd file it away and recall it back later. As a result, I had always some thing on record on what I would recommend what we should be doing.

The co-op, of course, was smaller, more family oriented. Mr. [Robert] Ivie at that time, when he was president, was a very outgoing man. He believed in going out and shaking hands with the man who would be washing the floor and even cleaning the bathrooms. He had to know the girls by their first names. In fact, eventually everybody called him "Bob," they didn't call him Mr. Ivie. And it was kind of a warm relationship to start with.

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Teiser: You were talking about how you found working for a co-op. The difference.

Skofis: The difference, yes. Well, I tell you, the main difference is at the corporate level. You have to do everything on a professional basis if you're going to survive. With National Distillers, there were people who lived by their procedures, you know, and they would

Skofis: expect you to live with them. Their procedures were set up in New York, by their quality people or their traffic people. Whatever it was, you just had to do it. And it was a good way to operate.

On the other hand, Schenley was the kind of organization that, as I told you, I found out you had to put everything in black and white, give it to them the way you felt it was, and then stand on what you said. Generally, they might refuse you then--but later, they might come back and say, "We should have done it that way." Everybody in our organization was always scared. They wanted that triple insurance. That's why they overfinished their wines; everything they did was to be sure that their butts were covered, that nobody could criticize them of having done something wrong. None of them wanted to take the initiative to do something new.

Well, I had done that, of course, and they recognized that I wasn't taking chances, but the things I was proposing were things that anybody else could have proposed, but they were either afraid or something.

Now, with the Guild, initially the whole organization was kind of like a family thing. You felt like you were one big family. But gradually, I noted that it became different as people within the company got their own family problems, and they tried to grow, and I sensed a number of years before Mr. Ivie left that the ship was not going in the right direction. There was nothing I could do. I would put everything in black and white I thought we had to do (we were heavy on certain inventories) but all I could do was point out. I couldn't become a sacrificial lamb and make a big issue of it. Gradually, of course, a lot of these things did come to light, and that's why they changed the top management in order to find out more what they should have known, to do a better job of running the company.

The Co-operative System

Skofis: Co-ops, compared to corporate deals, are different. They're composed of growers that have a direct interest in the winery. Their income comes off of what you can make in the way of profits. If they can go out on the street and sell their grapes for a hundred dollars, they get their money right away. In the co-op, they deliver their grapes, the market price is a hundred dollars, you give them a certain amount of money for delivering the grapes. You may give them twenty-five dollars; that's the draw money they get, the picking costs. Then they have to wait until their product gets sold. The moment the grapes come in, it has not been sold as wine. You have to process that wine and sell it, and that takes approximately a year to a year and a half. And the way the co-op

Skofis: concept was, you would start to pay them some of their moneys back from the sale after the wine started to go out into the channels and be sold as wine.

The growers' concerns always was: you have the use of my money, for all this time, and I don't have any interest to show for it, because I had to pay interest to the bank to borrow money to live on. Well, that's the name of the game with the co-ops, is that you can't pay cash for grapes. If you do, then why be a co-op? You might as well buy what grapes you want. This has a big impact on the bottom line, and as a result the co-ops probably have had more financial problems, because their response to the grower financial needs are not as fast as if he sells for cash.

On the other hand, if the grower's left on his own to sell his grapes, he may or may not get the market price. He may get the market price which may be much lower than he would get if he left it in the co-op, and he would eventually get the average of the market. Because what the co-ops pay is usually not the top of the market nor the bottom; they pay the average of all the tons.

##[telephone interruption]

Well, the co-op is different from the normal corporation in the fact that they have to return to a grower his money. If the grower doesn't get his money, he can't live and operate, therefore the pressure is always on the co-op to return 100 percent of the market price, the average market price. Plus something extra for the fact that his money was tied up for a certain period of time--105 percent, 110 percent. Some of them feel that if they don't get 110 percent, they didn't get market price because they paid interest on their money.

On the other hand, they also have an equity in the winery, and none of them seem to understand that the winery, as it develops and grows, that there is an equity in there. Should there be a sale of the winery, the distribution of the profits of the sale would go to them. But they never look at the equities they have; they always look at what they're going to get for their grapes.

The thing about a corporate winery is the fact that, if it's subsidized by a big distillery group, then if they don't make money, they absorb their losses into other phases of business, and they continue on and on. But, as I mentioned earlier, National Distillers years ago didn't make six percent on their investment, and they sold out to Louis Petri. And yet National Distillers went back in the wine business. For a number of years they probably made money. Now that they haven't probably been making the money they want, they have divested themselves of the business.

Teiser: What you just said perhaps explains a bulletin I looked at last night. In 1980, the Guild would lend growers money, under certain circumstances, and at very low rates. So it must have been an attempt to make up for--

Skofis: Well, they gave some of the growers the opportunity to borrow money because of the borrowing power of the co-op, which was generally two points less than the bank rate. Guild was able to borrow from the co-op bank for about two points less.

Teiser: That's the Berkeley Bank for Cooperatives?

Skofis: Yes. But we don't do that any more, because it's very difficult for even us to borrow money to operate. Even the cooperative banks have had a lot of problems, you know. They've had serious problems. And we've been a big help to the co-op bank, in the respect that at least we're paying off our debts, and we're doing more for them. And yet they're in a tight position to lend us money when we want to borrow money to carry on a day-to-day operation.

Guild in the Early 1970s

Teiser: When you came to Guild, there were nearly a thousand members?

Skofis: Possibly a thousand members.

Teiser: Now there are--

Skofis: Well, a year after I was at Guild, there was about a thousand. When I first came to Guild, they grew because we signed up a lot of members for grapes that ordinarily were sold to Roma Wine Company. And in order to continue their association with Roma, they signed up as members of Guild. So that came up to around a thousand members. That's up and down the state, from Delano all the way up to Ukiah, that distribution, with most of them in the Fresno area.

Teiser: And you came in as--

Skofis: I came in originally as the Roma Winery manager, and then within six months or so they made me the production operations manager. I was manager for all the wineries, seven operating wineries.

Teiser: What were the seven?

Skofis: There was one in Delano; there was the old Cresta Blanca that they renamed L. K. Marshall; there was three in Fresno: the Roma plant, which since then they've renamed Cribari; the McCall Winery, which

Skofis: years ago used to be Crestview, owned by Joe Gazzara; and then the winery we call Fresno Winery, which was the old Alta Winery, and originally was the Cameo Winery. Then we had two wineries in the Lodi area, Bear Creek Winery, which was kind of the flagship of Guild initially when it was a co-op, and another winery out at Woodbridge called Del Rio Winery. And, we had the other winery up at Ukiah, the Cresta Blanca, which had been the Mendocino Vinyards, renamed Cresta Blanca. We had at Lodi the big bottling facility, which they called Central Cellars, because that is where all the wines went and were bottled. They were made, blended, finished and bottled there.

As far as the Central Cellars facility was concerned, I was responsible for the wines that were shipped there, the blending of the wines, and like now I am responsible for all of the quality control, the winemaking aspects. I don't have any of the responsibility of seeing that they get the glass in, that they put it in the bottle. I see to it that they get it in the bottle right, and that it stays right in the bottle. So if the wine in the bottle tests out that there's a problem, then we don't permit them to ship it. We hold it until we're sure it can be shipped.

Teaching at Fresno State College, 1961-1971

Teiser: Before you came with Guild, you taught at Fresno State.

Skofis: Right. Actually, this whole thing with Fresno State started in the late forties, early fifties, when Vince [Vincent] Petrucci was trying to develop an enology course. And hoping that he would get an enology curriculum at Fresno State. So he appointed a committee, and I was one of the committee, and he had a number of people on the committee. I don't know if you have a list of those. There was maybe six or eight people on the committee. We met regularly with Vince Petrucci, and then with the dean of the agricultural school out there, Lloyd Dowler, and started to talk about why we should have an enology curriculum. Gradually we actually wrote up the kind of courses that should be taught. We developed ourselves a four-year curriculum on paper.

We also were able to get the local wine association, made up of the wineries in the area, to support trying to get money to build an enology building out here. But you have to recognize that Davis was just starting as an enology department, and they were against of course having any competition that they thought would threaten their operation. But it was not intended to actually do away the Davis thing; it was intended that you would have a teaching facility here for people to go into winemaking locally, and get into more of the phases of the type of operations that we

Skofis: were doing here. Up in Napa, for instance, they don't distill, they don't make concentrate; they don't make juice--all they make is table wine. Here we made dessert wine, table wine, we made all the products that you can think of.

It was also felt that if they had a school here, that you could have people go part-time, or to evening classes, and be taught some of the latest on winemaking and some of the latest distillation procedures, and this is where it all developed. The school finally was authorized somewhere in the late fifties. It took a lot of doing on the part of the local people here, and Mr. Jim [James L.] Riddell was a big instrument, along with Leon Peters and a lot of the other wineries here, in pushing their local legislators to support the establishment of a curriculum at Fresno State. It had to go through the state legislature, which it did. Then they had to go through and get moneys appropriated to build a wine laboratory.

I got involved into the tail end of this. I was involved with it in the establishment of the curriculum. But in the politics of this, I got involved with Jim Riddell, when we had the legislative analyst, Alan Post, if you recall him. And Alan Post came down, and talked to Jim Riddell and I, so we could explain to him why he should agree with the legislation that was passed to appropriate the money--remember, he had almost veto powers over a lot of legislation, as the financial analyst. He spent an evening here with Jim Riddell and I, and we were able to convince him that this thing had to go forward. And I think that as a result of that one meeting we had with him, we tilted him to agree that we should go forward.

The money was appropriated. It took a long time to get the architectural plans put together because it had to meet all of the state architectural requirements. In the meantime, they established a curriculum, they had the money to go, and they hired Joe Heitz as an instructor. He was hired sometime around the late fifties. Joe started to try to teach classes in various laboratories there in the agricultural science area, and before the enology building was completed, Joe left to go up to Napa, and go into the wine business himself.*

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* See Joseph E. Heitz, Creating a Winery in the Napa Valley, an oral history interview conducted 1985, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1985.

Skofis: So at that time, Jim Riddell and a few others got together, and they wanted to get somebody to help. Without me knowing about it, they thought that perhaps I could help out, since I'd been involved in the curriculum, and they went to my principals, particularly Col. Burton, and they asked if they would agree to let me do this on a part-time basis, along with my other work. So I was called into Col. Burton's office here, and he told me what was happening, and he left it up to me. He said, "I will give you evening time, and of course, anything you have to have to help you, but we can't allow you to take off during the day, do any day teaching."

I said, "I wouldn't expect to do that." So, based on the fact that I would do all the teaching at night, I was put on as the instructor. I opened up the new wine enology building in 1961, and I had maybe eight or ten students. And a couple of those that had taken some courses with Joe Heitz. Now, one of my students there that you probably have heard and talked about was Allan Hemphill, who was a son-in-law of Adolf Heck. I was very fortunate. He was a senior student then, and he helped me out greatly in organizing a lot of the day work that had to be prepared for the evening classes. So I used him as kind of an assistant.

I taught three classes in the evenings, and it was a five-night deal. It was very difficult--hard on my family and myself, and I did it in '61, '62, and '63.

Teiser: For three years!

Skofis: Well, it was two full years and part of the third year. And after that, I taught the management course. I'd teach certain courses in the fall, and certain courses in the spring. The last year I was there, 1963, we had something like twenty to twenty-four students. It was a difficult task to start with because I had to go back, and I spent my Saturdays and Sundays preparing my lesson plans. I don't doubt that some of the early teaching, a lot had to do on experience, a lot had to do on what I was able to put together quickly. But I did develop my teaching notes. So after the first go-around I had enough notes that I had polished up so that we could continue.

And we did some crushing there; we had a small crusher, and we were able make some wine, even made some champagne. We even tried to make grape concentrate on the little lab model out there. I would of course take them on trips to various wineries, and they visited this winery quite a bit during actual operations. I tried to show them some of the things I couldn't demonstrate in class. Like, we were distilling, for instance, and they would see how it was. So they were getting an on-the-spot plant instruction.

Skofis: So then, after that we hired Richard Norton as the instructor, and he was there for quite a while. In the meantime, as they requested, I would teach particularly the winery management class. And I did teach some introduction to enology classes. They got to the point where, a few years later, they offered Introduction to Enology as a general course at the college level there, and they got to the point where they had around seven hundred students that were taking it. Of course, part of the large enrollment was because the students thought it was a Micky-Mouse course, and everybody was getting B's and A's until I got in there and I made them work for it, and [laughs] I don't think I was too popular with some of the students. I made them work to earn their grade; they did earn it. It was difficult, even to do that part-time work.

Of course, I've had my interest in Fresno State College all along.

Teiser: And so you continued that until, say, 1971, when--

Skofis: From '64 to actually 1971, that was on and off. It wasn't every semester. I used to teach mostly in the spring, the management course. And then once in a while in the fall, I would teach one of the introduction to enology. And then there'd be a year I'd miss, depending upon what they had.

Teiser: That brings us back up to Guild, then.

Skofis: Finally, when I got into Guild there, they didn't want me to do any teaching. They had too much work for me. And I couldn't, actually. When I was in Guild, it got to be too much traveling for me. I couldn't get back in time.

Teiser: Traveling between wineries?

Skofis: I traveled--going down to Delano was not very bad, because I could make it in a four-hour round trip, but going up to Lodi, spending a full day there, either I had to leave early in the morning and come back late at night, or go up there the night before and do my work and come back. And going to Ukiah was a two-day trip; it's a long trip up there. I used to make that trip every ten days. Now, I don't make it as often, although I still do a lot of traveling.

Teiser: As you progressed through various positions in Guild, how did that go? Was it just each step was--

Ted Kite

Skofis: Well, actually, when I was taken on with Guild as the Roma winery manager, at that time they indicated to me that I would probably be replacing the vice president of production. That was--I don't think that was the carrot, but that was what their plan was.

Teiser: That was Kite?

Skofis: Ted Kite; yes. He retired in 1975.

Teiser: Could you speak a little about him?

Skofis: Well, Ted Kite--Walter was actually his name, Walter Kite. What I know about him was that, when I came into the wine industry, he was Mr. Big; as far as enologists or wine chemists or whatever it was, he was the big wine man in Roma. He had been that during this tremendous growth period. He came to Roma some time in the mid-thirties, at this winery here, and started off as a wine chemist I guess, wine production man. Kite's background was he was a civil engineer, and he had some chemistry training. He'd had a degree out of Stanford, where he played football. And he had some chemical training. He was thinking of maybe going to medical school, so he had a lot of that, and he got hired by the Cellas,* and he went up the ranks. Having this engineering and chemistry training, he fit in very well.

As they grew, and they grew very quickly, there weren't many people knowledgeable in the science field in the wineries. So he grew with them, and naturally he had a lot of recognition. He was instrumental in building up their research staff. They had quite a research staff here, particularly during the war years and after. He had the big name, you know. You go to the meetings, and you would always listen to what Ted Kite said, because he had to offer a lot of words of wisdom. I got to know him through the wine chemists' organizations. We would meet once a month; we'd have dinner meetings.

To me, those are some of the most interesting periods, because you had people that were in the industry before Prohibition. They were tagging along now; they were actually almost retired. The old winemakers were doing a lot of the hard work.

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* For the early history of Roma and comment upon Kite, see John B. Cella II, The Cella Family in the California Wine Industry, an oral history interview conducted 1985-1986, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1986.

Skofis: Then you had the new group that came out of Berkeley and Davis in the thirties, who got hired in the wine industry because they had chemical training, and they knew something about analyzing wines, which was important. Even running an alcohol [test] was important in those days. The later group that was coming in, like myself, that had had quite a bit of schooling in chemistry, were doing more detailed analytical work. We had a variance of opinions and various theories. There were a lot of theories that were of zero value, but they were still absorbed as being fact. Until you learned more and you disputed them, you'd have the arguments going between the old and the new.

Teiser: Was Kite--

Skofis: Kite was one of them; he was one of the people that was of the later group, you might say. He was a technical man, technically trained. Charlie Crawford was one of them. Max Goldman. There was a guy by the name of Scott. There was Morrie [Morris W.] Turbovsky; I don't know if you've ever heard that name. I think he's still living. There was--some of those were the initial ones.

And then of course some of the later ones were like myself, and--

V INDUSTRY ORGANIZATIONS

The Wine Chemists' Group

Teiser: What was this later group?

Skofis: This was the Fresno wine chemists group. They had an informal organization. They called themselves wine chemists, which is what they were. They had an informal deal, dinners on Friday night once a month. They had an elected chairman who would make the annoucements, arrange for a speaker, and you'd have a big bull session. A guy would talk about something that today would be insignificant. To us it was very important. That's how little information was available. The only book on wine chemistry was the one that Cruess had put out, and it was about a half-inch thick, and it looked like it was just a small--you know. Then gradually, he wrote a second book, and then a third book, and that was about the only information you could get,* plus the three bulletins that had been put out by Amerine and Joslyn and Marsh, at UC Berkeley. One was Bulletin 639 on table wines, one was 651, on dessert wines, and one 652, was on brandy. They still have a lot of valuable information, I believe, even though they were put out forty-five years ago. Still very valuable.

Teiser: Was that group that you speak of a predecessor of the American Society of Enologists?

Skofis: In a way, yes. Because even Charlie Holden, who was the first president of the ASE, would attend those meetings, and he felt at that time that we had to have something of a professional society where we could have meetings, give papers of a research nature, more professional than we were doing at these winemaking meetings. You'd have a speaker and then you'd have a lot of b.s. going on,

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* See bibliography in William V. Cruess, A Half Century of Food and Wine Technology, op. cit.

Skofis: plus there was a lot of knowledge exchanged. Some guy said, "Well, I did it this way," and the [other] guy said, "Well, you're full of baloney. You should do it this way." Well, all of this was learning, surprisingly. Arguing back and forth. Because you would be doing something in a way, and all of a sudden a guy says, "I don't do it that way; I do it this way." All of a sudden you're opened up to a new thought that you didn't know existed. This is how little we knew at that time.

Of course, the University was coming along pretty good, and when they moved the staff from Berkeley to Davis and reorganized the enology and viticulture department it started to get better organized. Winkler I think was the first chairman of the department, then followed by Amerine and a few others. More material came out, more research money put into it. So there was more meaningful studies made that were a value to the industry. On grapes and on winemaking. But up to that point there was a limited amount.

They used to have the TAC meetings, Technical Advisory Committee meetings of Wine Institute. The original intent of that was done to forestal the wine chemists from organizing into a union. They wanted to give them some recognition that they were important people; they organized this Technical Advisory Committee. They said, "Hey, we need you guys."

The Technical Advisory Committee

Skofis: I don't know whether it forstalled it, because there was never a wine chemists' union organized. But this was--I understand--one of the reasons why they formed the Wine Institute Technical Advisory Committee. They'd meet three to four times a year. They would actually go through a one-day session, giving some very good technical papers. Some were delivered by the University people; some were delivered by some of the companies that had information like Roma. Ted Kite, some of his people, would deliver a paper, it would be a twenty-minute paper on what they did on filtration. Or something about a wine problem, hazing, or clouding.

So the Technical Advisory Committee was founded some time in the forties, and they had a select group. They only had I think twenty or twenty-five members, and you had to be elected into the group.* There were more technical people around, but those were the ones that went to the meetings.

* The date of formation was June 6, 1944. It was dissolved June 4, 1973.

Skofis: Well, eventually they expanded--you would be invited to come not as a member but as a guest. I started to go to meetings in 1948 as a guest, and I would attend them all. Italian Swiss encouraged us to go. Most of the meetings were held in San Francisco. That was really the beginning of a lot of information being disseminated out.

Well, I got active in the Technical Advisory Committee. I was elected in 1951. There was an opening, and E. M. Brown was very instrumental in getting me elected as a member. I had done quite a bit of work on stillage disposal. (And I had done some presentation.) That was a serious problem with us in those days. We were disposing of stillage on the ground, and creating all these bad odors, and National Distillers did a study. They developed some equipment to try to clean up the stillage before it was put in the ground. It turned out to be a big fluke.

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Skofis: I made the report on what we did. We did the research--we collected the numbers, and it was really not the type of research you'd call research. But with us it was research because there was nothing known about it. I did a lot of the analytical work, and as a result, we did publish it and give it to the wine industry just to be sure they wouldn't get caught in the same trap, and pointed out a lot of new things about stillage disposal that they weren't as aware of.

Teiser: But you didn't solve the problem?

Skofis: Well, we were able to do a better job after that. The problem was there, but we showed how we could reduce the odor forming by doing a better distribution of the material on the ground, and getting a quicker evaporation so there was no odor formed. As far as contamination of soil, there was no contamination of soil because everything was biodegradeable, and we didn't worry about it. I was chairman those two years.* Now those two years, the big thing that we did of importance was to get this compound to remove copper and iron approved by the government, the Cufex.

This was a compound Mr. Julius Fessler developed at Berkeley Yeast Lab. In Europe, to remove iron and copper from wine, they used what they call potassium ferrocyanide, which sounds worse than it is. Potassium ferrocyanide was not poisonous. But the cyanide part, of course, scares the heck out of people. Julius Fessler found out that you could take this compound and chelate it in with some other mixtures he had, and that you could use it, and you

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* March 9, 1954 to February 20, 1956.

Skofis: could actually remove copper and iron from wine and leave no residual. He got a patent on this. The government, after much review, (and I was chairman of the committee at that time we were pushing it) they actually approved it, and they approved it providing we would have no more than one part per million residuals ferrocyanide in the wine. That's on the statutes now.

That was one of the big things that happened, because any time you wanted to remove iron and copper you had to do it illegally, using ferrocyanide.

Teiser: Was that known as blue fining?

Skofis: Blue fining, that's what they called it. In Europe they still do blue fining, and nobody thinks anything of it. They do it. We use Cufex today, and that's an approved method; no problem, no harm. The patent ran out on it, and now there's all sorts of compounds, but everybody still knows these as Cufex. Cufex comes from the copper, which is CU, and iron, which is FE. They combine the two and they call it Cufex.

That was one of the big things we did at that time. Then, later, I continued to be active on the various advisory committees, and of course, also the ASE was formed and I became a charter member. I wasn't active on the ASE until 1962 or '63, I guess it was. [looking through papers] It shows '64; maybe I was a board member. it was '63 I was elected board member. Then they appointed me chairman of the Wine Institute laws and regulations committee, the big undertaking. We had some interesting years. There was a lot of controversial years in there.

We did a lot towards getting the Part 240 of the Wine Regulations cleaned up. We wanted to be sure that there was no additional use of sugar in stretching out wines. We had a big battle with the eastern wine people on that, and we finally won the battle with them. They wanted to have an opportunity to use more water and more sugar and make more wine. Well, to us, it was an economic threat, because they had high-priced grapes; by the time you add water and sugar, you got down your price of grapes--well, it was an economic threat to California wines, plus the fact we felt there was a limit on how much water you can make wine with.

Revising the Definition of Brandies

Skofis: We also had, at that time, the definition of brandies. The government wanted to define whiskies and brandies by the congener levels, that is, by the analytical results. So if you have this amount of congener in a brandy or whiskey, you can call it that.

Skofis: We said, well, that's wrong. If you want to make a lighter product, you should be able to call it; if you want to make a heavier product, you should be able to call it. You shouldn't be locked into a certain deal, plus or minus. And that was a big item. Except, during that period, we did have a problem; we had one of the big distillers that was turning out a neutral brandy. We felt that we should be able to turn out neutral brandies the way they did.

Well, they had an approved formula which, if we had challenged the BATF at that time, they would have withdrawn it. But the other thing was that at that time that brandy which was a big brandy. They had hundreds of thousands of barrels of brandy aging. Schenley threatened, and a few other people threatened, to go to the courts and show that this was made illegally because the process was illegal. We were able to twist their arms, and have them support the legislation which said that the proof of the distillation was measured in the tank. Now there's a difference there. Before, the law said the proof of distillation, that you produced the product, was off the column. The composite off the column determined the proof as it came off the column. It had to be below 170 proof.

We said, "We want to be in a position to produce brandy at 180 proof." They said "No." We said, "Yes, because that's the only way we can make the brandy as soft as you do." "Well, we won't go for it." We said, "Okay, if you won't go for it, then we're going to go to the BATF and have the approved process rescinded." We happened to have gotten a copy--how they got it, I don't know--of that proof formula. It had been approved in 1946, or '47 by some government man who should never have approved it, and these people were producing all the time. It was completely illegal by the regulations of that day. So we were able to convince them to support us in order for them to get out of this big mess they were in. It was one of the big, big distilleries--and I won't identify it. I wouldn't want to be quoted on it. But you can imagine who it was. It wasn't Gallo, either.

They would have to support us, that the proof of distillation was in the tank. So that meant that if I wanted to produce 180 proof material in the tank, and then add in 130 proof material, I could come out below 170. As long as the brandy was under 170 in the tank, it was brandy. That was the big point. To you, maybe you're not a production person, I'm telling you, that was a big point. We finally won it, and it's in the regulation today. And this was done during that period when I was chairman of the regulations committee. I was active on the brandy distillation then for Schenley. Our chairman, Rosenstiel, he was just looking for a battle like that. That's what he loved to have. He'd love to have had his competition have two hundred thousand barrels of

Skofis: brandy declared illegal, or tie them up in the courts. Or somewhere. You know, these guys would do anything to hurt each other.

And Jim Riddell, he saw it, and he went along with our proposed change because he was fighting the old law. So, that was one of the big things. A lot of people don't know what happened. Jim Riddell knew about it, I knew about it, some of the other brandy people knew about it. Gallos weren't in on it; they didn't care. But some of the people who were in on it, they knew it, and they supported our action, and this one single action was most important. They decided to back off. So that was one of the big things we did during that period; it was really a big item.

Then after that, of course, I got off that committee, I think 1970. I think I got off a little earlier than that; maybe '69.

Stillage Disposal and Ethanol Emissions

Skofis: A year later, they had this environmental studies committee that they developed because of some water quality problems. The Porter-Cologne act was passed in California on water quality; [it] indicated that we were going to have some environmental problems with our stillage disposal. And that we had to do something with respect to stillage disposal because the government at that time was seriously considering having us take the stillage, clean it up, put it back on the ground as almost clean water, which we couldn't do. That would have been a multi-million dollar project. In other words, we would have had to have had treatment plants in every winery. There's no way you could do it. That was the big battle we took on at that time, and through a lot of work, and myself and Charlie Crawford particularly, the two of us together, we were able to convince the state water quality control people that we could dispose on land provided certain things were done. We did a lot of research work, and it was about four or five years later, maybe six years later, that we finally got all the research done, presented it to them, and the state water resources board at that time set up the protocol that stillage can be disposed on land. That was very important, again, to us. They were going to eliminate the usage of land disposed for stillage. But the way we set up that use of land disposal for waste water, industry had to follow the disciplines that were developed from the research work. We were able to do that.

Since that time, of course, we're involved in this ethanol emissions study. It has to do with the fermentation gases, where they claim that some alcohol goes up into the atmosphere and destroys the ozone layer. In fact, Dr. [Carlos] Muller just called

Skofis: me about that particular project that we're going to do at Fresno State this year. We're going to do a demonstration with the State Air Resources Board. I'm still committee chairman. I've been chairman now for the last sixteen years. Last year I told them I won't continue as chairman after this term.

I've been a director of Wine Institute since 1976.

Teiser: You may have gotten out of going to the city to work every day, but you have got yourself into jobs that take you there frequently!

Skofis: Well, I made a lot of trips on these committees to San Francisco. Our people put a lot of money out for us to serve on that. That's the deal.

The San Joaquin Valley Wine Growers' Association

Skofis: We have here the San Joaquin Valley Wine Growers' Association that is strictly the local winery owners, the winery principals. It's kind of a political lobby thing, you know. We use it only to show our legislators here that we do have interests in certain aspects, and the congressmen and legislators know that we're viable, and if there's some legislation we don't like we may go through the San Joaquin Valley Wine Growers and say, hey, you're affecting our industry.

It's not a Wine Institute; it's a separate organization. It has its own charter, but functions not very strongly. Years ago, we functioned more. But now we still play an active role. Like many times, with legislation up at Sacramento that's detrimental to the wine industry, the president and the group will get together and they will ride up there and say, "We're against it, and we represent forty wineries," or whatever it is we represent. So they pay attention. And I was president in 1973-74.

I was on the American Society of Enologists, I've been a charter member since it was formed in 1950. I think I was on the board in 1963, if I'm not mistaken.

Teiser: Did you give papers early?

Skofis: I gave some papers. Not as many as I'd like to have given. I've given probably three or four papers in all that period of time. I got sort of involved with other things, and management duties, and winemaking duties, so that I didn't spend any time in the laboratory after a while. I've been at a desk. I was president in 1968-1969.

Teiser: Did you accomplish something as president that you'd always wanted to accomplish?

Skofis: The only thing I say that, when I was vice president, I was instrumental in getting the first ASE meeting down in Coronado, which they loved [laughs]. We're on the other end of the state. Ze'ev Halperin told me to go down. He was the president at the time. He said, "Elie, go down and take a look at it and see if we can have a meeting there. I heard it's pretty good." I went down there, and I just fell in love with the place. We got the group to go down there, and they fell in love with it. So we've been going south quite a bit, not too much to Coronado, because now it's just too small, but to the San Diego area.

The Davis people were livid when we said we were going to go down there, and they were the ones who supported it more later.

ASE Awards ##

Teiser: We're talking about the ASE. I have here that you were the Guymon Award lecturer in '83.

Skofis: '85 I got the Merit Award. That's the big award. I'll show you the awards out here, if you want to see them. They're hung up.

Teiser: In April 1986 Wines and Vines you published your Guymon Award paper. It said it was abstracted.

Skofis: That's right, it was. Actually, you know, the whole article was too big. They came back and rewrote the article, and I didn't like what they rewrote.

A copy was given to the University, and I gave a few out to a few people of the press. Wines and Vines got it, and they wanted to have it shrunk down, and they had somebody rewrite the thing, and he cut out a lot of it. Some of the stuff that I thought was important, he cut out. He put his own versions. So I said no.

Teiser: But what was the article they did publish?

Skofis: The article covered many areas of the original paper, but I wasn't comfortable that it tied in what I said. I'll have to get you a copy of the original.*

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* See Appendix I.

Teiser: But the Merit Award in 1985--was there any one thing that you think that it was for, or was it just for your long career in--

Skofis: Well, I think it was a combination. Number one, the time I put in in the Wine Institute and a lot of these matters that were very important. I didn't do any research. But I put in many, many years of my time on TAC and Enology Society, the Wine Institute laws and regulations committee--and these are all technical matters related to the industry. And on the environmental committee work.

Please remember in the early seventies when President Nixon said we would have a "closed" loop on water usage and disposal, he wanted to insure that every gallon of water returned back to the environment would be clean. This was a tall order and we in the wine industry recognized the role we would need to play. Also we were greatly concerned that much of what the law regulators would say we need could be most expensive and not as effective. Naturally the EPA didn't know what the problems were. My role as chairman of the Environmental Committee was to work with the various government agencies--federal, state, county, city--who would be playing some role. We did a lot of work since then and our efforts paid off since many of these agencies became better informed and accepted more reasonable ways to abet the problems as affected the wineries.

They felt that I should get a recognition for it. And I thought that that I've spent a lot of time and we have accomplished a lot of things in the respect that we've been able to buffer a lot of this bureaucratic regulation that they want to load you up with. We've had to go in there and talk to them, and then do research, and put them off until finally you educate them to the fact that now, yes, we can live with that. You don't have to do this, but as long as you do that, we'll live with it.

So compromise to the point where we could do some improvement, and make them realize that we're very law-abiding people. It's the way you handle these people that counts. This is the one reason they wanted me to continue, the fact that I can go to a government group. Probably my age may be an aid--grey hair, well, you got to respect age or something. They will listen. I don't get heavy-handed with them; I get firm a lot of the time, but then on the other hand, I convince them enough to wait, and that's what we've been able to do. Like this Air Resources Board; if they want to impose these regulations on us the way it is today, it could be anywhere from a hundred to two hundred million dollars.

Initially the engineering studies done with little information about the problem would have created Rube Goldberg type solutions. We practically flipped when we saw what they recommended. To say the least after many meetings with the ARB staff and help from others, we got the ARB to agree to a demonstration.

Skofis: And what we're trying to do now with the demonstration is to show the problem has been over-exaggerated. Yes, you can do it, you can capture emissions, but the economics is not feasible. This is what the ARB members say: it's got to be feasible and cost-effective. We tell them it's not cost-effective.

Guild here is going to spend, we figure, five million dollars. The Gallo organization's big winery by the airport, anywhere from thirty-five to forty-five million dollars. That's not chicken feed. That comes out of profits. Our concern has been we don't get burdened with unnecessary requirements to satisfy some bureaucrats that they have resolved or contained an environmental matter.

So I got the award for a combination of reasons. My many years of work with the industry on technical matters as affects research, laws and regulations, environment and my helping develop and get the enology curriculum started at Fresno State University.

Dr. [Klayton E.] Nelson was selected this year. I was on a committee selecting him, and it was just all of his years of research, and what he's done on grapes. He's retired. He'd done a lot of research. He's done it on table grapes. He's done it on wine grapes. He made the study with Myron Nightingale on Botrytis.*

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* See Myron S. Nightingale and Alice Nightingale, op. cit.

VI GUILD, CONTINUED

Cutting Back, 1983-1985

Teiser: Getting back to Guild and your functions here, you said the number of growers and the number of facilities increased, and then there was a big cutback. When was that?

Skofis: Well, in 1983. And 1984, when the Guild board of directors terminated the president. They felt they had to have a change in top management, because we had some big financial losses coming up. At that time there was a big cutback, and there were quite a few people terminated at various levels.

Mr. [Robert] Ivie was the president. He'd been president from 1967. He came in a very young man, you know, and saw the company grow up. And of course, he went in one direction and he should have gone in another, and he got the company in some financial problems. The growers weren't getting their return, and it turned out that as I said--excuse me for a minute, I'll be right back. I want to get you a copy of the article on Gerard Pasterick.

[tape interruption]

In between the time Mr. Ivie resigned and Mr. Pasterick came in, we had done most of the cutting back, at least. The chairman of the board became the acting chief executive officer, Mr. Kenneth Seibert. And of course after the discussions with all the other corporate vice presidents on what we had to do, they moved the office from San Francisco to Lodi. Actually they moved the marketing office to Pleasant Hill, and the balance of the offices they moved to Lodi. But they cut back a number of vice presidents that were, I guess, doing some job that was not 100 percent productive. They terminated some of them as being surplus.

We had one for public relations, a very fine woman, and she was out trying to get a lot of PR, and it didn't seem to be helping our sales in any way. It got to be an expensive package. We also

Skofis: had a race car. It was most expensive to sponsor and the board were upset by this. The president intended this as one of the marketing tools. It was one of the Indy 500 race cars; Bobby Rahal was our racer. That cost about a half a million dollars a year. The San Francisco office was costing over a million dollars a year. By the time you terminate something like forty people throughout the whole organization, and eliminated the office and car and a few other things, there was about three million dollars a year of costs that were eliminated. That had to be done to save the company.

When Mr. Pasterick came, a good part of this had been done. And of course, he continued on, because even in early '85 about half of the number were terminated. We did some more. In my own department, we eliminated five positions. We had to double up on the work, although I have something like, oh, thirty-five salaried people working under me. Not hourly, but salary. But we eliminated something like fifteen percent. That's hard to do that. There were some very fine people there. We shut two wineries down, we just mothballed them. We eliminated two managers. One of the managers we still use, but in the process of using him, somebody else had to go. And as we got attrition, we never replaced.

There were a few people up in Lodi that were a part of the team, that were difficult people to work with under the old regime. It was difficult to get them in line, and they felt independent and very secure. When the new management came in there, it asked some hard questions: who are some of the people here that are giving problems? The people working in the area said, "So-and-so person has been one person that, if you asked me I'd eliminate; if I had ten people to choose from, who'd I pick, that's the one." They all voted in one direction. So if you're the bad egg in the crowd, you're going to get out, and some of them weren't part of the team.

Teiser: What effect did it have upon the growers?

Skofis: Well, the growers naturally saw that there was a leaner look to the company, which meant that there were less expenses. But the big problem that we ran into was the fact that we had some very high cost grape years. In the process of having those high cost grape years, we got more grapes delivered than we were able to sell. See, when you're a commercial winery and you say, "I need fifty thousand tons," you go out and buy fifty thousand tons. And you pay what you have to. If they're too high, you may buy forty-five, you may buy forty. You say, "I'll wait and buy the wine."

In a co-op you don't go out and buy wine. You make your wine. But then if you get more grapes than you need, you make more wine. That stays in the tanks. And the grower that delivers those grapes, or the extra grapes he's delivered, he still wants his money.

Teiser: What do you do?

Skofis: Well, the thing that happened in 1984 was we crushed less grapes. So we told all the growers that they were better off trying to sell the grapes cash, and a lot of them did. Some grapes we said we wouldn't take delivery of because we had no need for them. Some of them agreed that they could probably sell and get immediate cash. There were some cases where we said, "Sell half your grapes cash and deliver half." And they did it.

Teiser: Did you lose any growers?

Skofis: Oh, yes. We said, "If you want to withdraw from the co-op, we will not require the three-year waiting period." So we were able to reduce the tonnage down considerably. I'll give you just one number, so you don't relate it to the total--suppose we had fifteen hundred tons and we only needed a thousand. This is just a number, you know; but we were able to get some of them to withdraw five hundred. By giving them early withdrawal, they were happy to get out of there without losing money so they could sell them cash. A lot of them that withdrew have been selling them cash, and a lot of them want to come back. They've seen us turn around, and they've had a hard time out there selling. It's not been easy.

Some we permitted them to sell part of their grapes and part to deliver, which gives them a cash flow right away, and still they're in a co-op. But the most difficult thing was that, because of the high inventory values on this surplus inventory, they had to change some of the accounting procedures. In the accounting procedures, you have to value everything on the books at what it's really worth on the marketplace. Suppose you've got wine on the books for a dollar and a half. If the marketplace says it's only worth a dollar, and you still try to sell it for a dollar and a half--you're not going to sell it. You can put it in a bottle, say it's a dollar and a half value. What happens is, when you sell it, you'll lose three dollars a case, but if you re-evaluate it, to realistically write off that particular loss against your equity, that means your value in the company is reduced. Then you will say it's worth a dollar. When I sell it in the case, now I make fifty cents a case. So they have to write off a lot of equity. It wasn't that we took something away from a grower.

On the other hand, some grapes that have been delivered, on which only partial payment was left. Because they wrote down the value of those grapes, the fellows got less return for the grapes. There wasn't enough earnings. So that was a very difficult period for the growers. The co-op operates differently in that respect.

Today we are operating on a deal that we want to give the growers 100 percent of the market. Anything we make above that we use to reduce debts. We have to do this for a period of three

Skofis: years, per our agreement with the co-op bank, in order to continue our credit line. This what I'm telling you is all public information. We're doing that, and we've succeeded in selling off most of our surplus wine. In fact, we've balanced out a lot of areas. We have some surplus wines of the North Coast variety. We've just about balanced there. We had a lot of brandies; we had a lot of brandy surplus. We were able to reduce that down. So we're getting pretty much in balance on our inventories. Right now we're on the market to actually buy wine. Last year we went out and had to buy a certain amount of wine in order to fill our case requirements, our bottling requirements.

Markets and Labels

Teiser: How much wine do you sell in bulk?

Skofis: Well, because we had surplus grapes, we had to sell so much case goods, so much bulk. The years that we have more grapes, we try to sell more bulk. We try to sell things in bulk at a profit. Many times you sold them in bulk and took a little loss, but you had to move the product out. The loss here worked against the profit here, so you reduce the profit on your case goods. This is the one tough thing to tell a grower. He's going to say, "Why did you?"

"Well, actually, you delivered me fifteen hundred tons, I only needed a thousand. So five hundred tons I had to sell as bulk, and I lost money. The loss here reflects against the thousand tons here I sold with a profit. So I can't give you the same money for this five hundred that I give you for this."

So the accounting has been changed, I think the growers are getting better educated. There has been more openness in our organization today. Our growers know more about how the business runs. They're smart business people. A grower is a pretty intelligent person. He has to struggle to live. And as a result he has to learn how he has to survive. We feel our grower members are fully informed today, and I think they're very very satisfied that they are being told the total story, whereas before, they were told this happened, or the inventories were valued on the previous year's crop, whereas the real market value was way down so that you sold them below market price, or the grape market price, so you really had a loss.

Teiser: How much do you sell in bulk?

Skofis: Actually right now we're selling somewhere in the vicinity of maybe 85 percent in cases and 15 percent bulk. And we're getting out of the bulk business. The only bulk we have is contract accounts, fixed, long-term accounts. That's what we're trying to do.

Teiser: If you're shipping some wine to Canada for bottling there--

Skofis: Yes. That's in the agreement they just signed.

Teiser: How do you ship it?

Skofis: We ship it by tank truck, or tank car. That will go to Canada, and they will blend it. See, they have to put so much Canadian wine in the blend. Canadian law requires it. They'll bottle it out under our label. That way, we have our label being sold in Canada. So they know, Cribari or whatever it is, is going to be sold in Canada, and same label as sold in the United States.

Teiser: Do you put more and more wine under your Cribari label?

Skofis: Yes. Well, Cribari is our main brand. We have Roma, we have Vintner's Choice, which is coming up very fast. We have Wine Masters. We have Cresta Blanca, which is our premium label. And we do some private label work, but not too much of that any more. We're eliminating the private label.

Teiser: I was looking in your tasting room, as you know, and the variety of wines is kind of interesting. I wondered, do your marketing people, or do you, or do you all together decide what you should make?

Skofis: Well, you've got in there Fume blanc under Cribari. It's a new variety. Well, the Fumè blanc, we make a limited amount of that wine. The marketing people said that they'd like to see a Fumè blanc. They asked me, do we have any? I said, a very small amount. "What do you think you could sell?" "We think, the first go-around, we could sell, say, X number of cases." "Well, we don't have X number of gallons for X number of cases. We have less." They said, "Well, we know we can sell that much, we'd like to establish it, and the varietal business is a coming business, therefore this is an opportunity."

When we made some, if we didn't have enough, we could go out and buy it. That's exactly what we did. We went out, and we bought Sauvignon Blanc wine from some wineries, and we were able to select the best, and we took it, and we blended it with ours, and we developed this new label. And it's doing pretty fair.

Teiser: Where do you get your Sauvignon blanc, which areas?

Skofis: Well, we're buying mostly on the coast. We also have some we produced from the Lodi area grapes, which is good. And this last year we got more of the Sauvignon blanc grapes. We will be able to continue that label, support it.

Skofis: So marketing makes these studies, and they come to me as the winemaker, you might say, as in charge of the winemaking. They say, "Well, what do you think about this? Is there any way we can do it?" And I say, "Well, we don't have it--" so we may go out and actually get samples, and we say, "We'll make this kind of a wine, we can buy this kind of wine." We have to sit down between marketing, myself, and the president, and we'll make a decision. "Well, we'll go with it." Then we'll go with it, so we'll go out and buy the wine, Mr. Cella, he's in the group that goes out and gets the wine. He submits samples to me, we taste them, we say, "This is good, that's not good." We go on to buy it. They say, "Well, they want too much money for that." Well, we may have to cut back and buy some of the good stuff and some of the mediocre stuff and blend the two together, for price reasons.

Cook's Sparkling Wine

Teiser: Your Cook's sparkling wine, I understand, has been very successful indeed.

Skofis: Extremely.

Teiser: Is that an old label for you?

Skofis: Yes. Schenley bought that label out. That label goes back to prior to World War II. The American Champagne Company was marketing Cook's champagne in St. Louis, Missouri. At that time it was owned by some private individuals. One of the individuals was one of the Nazi leaders, I think it was Ribbentrop. When the war broke out, the government confiscated all his properties owned by the foreign enemy leaders. This was one of them they confiscated, and the winery ran on and on under government supervision.

After the war was over they auctioned it off. Schenley bought the Cook's label and the champagne company. They bought it in the late forties or early fifties. At that time, when they bought it, they sent Roy Mineau back to manage the winery. He was the winemaker up at Cresta. He retired about ten years ago. He had champagne experience. At Cresta in Livermore we used to produce Cresta [Blanca] bottle-fermented champagne. So he went back there, and he was a manager for two or three years.

They decided they were going to move that operation out to California. So in 1954 they moved that operation here, to the Roma facility. Our engineer had developed a transfer process for the bottle-fermented champagne. It used to be that you'd ferment in this bottle and decant out of this bottle. In the transfer process, you ferment in the bottle, you empty the contents out of

Skofis: the bottle, you filter the wine, you put it back in the same bottle or a new bottle. He developed the decanting process, and we had the only American decanter. There was one that the Germans had, very expensive machine; the only one who had that was Padre Vinyards down at Cucamonga.

But our machinery was developed by our engineer, and he did an excellent job, outstanding job. He was John Holstein, a real fine design engineer. He's still living, too, by the way. He's up in his eighties. So they decided to bring that operation out here, try to increase the volume, and make it a transfer-operated. It was still fermented in the bottle. It didn't say "Fermented in this bottle," like Korbel says. I don't know what value it has to people in France; they say "Fermented in this bottle."

Marketing people today believe that to say "fermented in this bottle" or methode champenoise is better and can command a higher price than "bottle fermented" and transfer processed. I've tasted excellent "bottle fermented" and bad "fermented in this bottle," so I believe a champagne maker who can make good champagne both ways, he'll probably go with "fermented in this bottle" because of the appeal and higher profit.

They had the Cook's champagne here when I came to Roma in 1955. This transfer process was a hush-hush deal. You couldn't get in there unless you had credentials. The first time I was in there, the general manager, Burton, took me there, and he said, "I want to show Elie this, and Elie's free to come any time he wants. So don't give him a hard time." Anybody else around, it was "out." If they caught you in there, they'd fire you. We had people that'd come in the plant here and try to sneak in; our security force would escort them out. We had other people in the company that were just curious and wanted to go down and see it, and they said, "Hey, we just want to see it for a while." "No. It's none of your business. You just stick to what you're doing." But I had access to it. I knew about it. I was not involved in champagne making at that time. But Cook's was made that way.

Later we brought the Cresta Blanca bottle-fermented operation down too. We did a certain amount at Roma, fermented it in the bottle. We had some labels with Roma. It was quite an operation here. J. B. Cella developed the champagne tunnels, which I don't know if you've ever seen. There are some underground tunnels that hold up to--they used to hold up to a million and a half bottles.

Teiser: Here?

Skofis: Yes. Temperature controlled. What we use them for now, we age sherry down there in barrels.

Skofis: The Cook's champagne was here, operating. Then it was decided that the label was not growing fast enough and we didn't like the label. We had a very bright product manager up at San Francisco by the name of Mary Thompson, a young lady there. She suggested that they redesign the label and the bottle, and perhaps they could see if they could improve it, and also ferment it bulk. Except we'd make a special blend. So, I got involved with that at that time. I said, "Well, we're going to have to improve the champagne on this." So we developed a special blend for it.

They redesigned the label, put a new bottle, beautiful bottle. Did away with the cork and put the plastic cork in there, and we said, "We're going to price it now, instead of the big high price, a lower price--intermediate price, but have a good champagne, and see what happens." And we opened it up in the state of Washington, and it just went great. State of Washington and Oregon, they really went for it. From there it just started to grow.

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When Mr. Ivie left it was about 150 thousand cases. He had started to bring it along. When Mr. Pasterick came in, they decided they were going to go all out and try to really do a better job of marketing. And they did, under Mr. Pasterick's leadership. They brought it up to where it's close to a million cases. And they've done that in the last three years.

We're making a Brut, an extra dry, and we're making the [sparkling] White Zinfandel and the Blanc de Noir. White Zinfandel is moving good. The Brut's our biggest seller, and the extra dry is second. The Blanc de Noir has had very high ratings by champagne tasters, and it is doing pretty fair, but not in the volume like I like to see. We would like to see it do better. So that's the story of the Cook's, you see. It's the one wine that I give personal attention to the wines that go into it. We select the wines, we hold them, and then we recheck them again so we're sure that the wines are in the best condition. We have a proprietary yeast we use, that we have developed for years, and it ferments out very nicely. We don't use that yeast on anything but the Cook's.

Teiser: [looking at tasting room price list] You've also been making de-alcoholized wines.

Skofis: Santé.

Teiser: How does that go?

Skofis: Well that, we're in a venture with another company on that one. They're doing the marketing, we're doing the production. And we were out pretty good there. Actually, we're not a threat to St.

Skofis: Regis at all. On the other hand, St. Regis is concerned about the fact that in tastings we seem to outscore. And we do outscore.

We have two: a white, and a blush. The blush was introduced about six months ago and it's going great. We're doing more work on it; we're doing quite a bit of research. In fact, last week I was back east visiting with a research company that's doing some work for us on--we're trying to improve it by going into reverse osmosis. We're not sure.

Teiser: Some of these wines on the list are estate-bottled, I see.

Skofis: Yes, estate-bottled. I think the estate-bottled requirement regulation was a very fine thing. I think it cleaned out a lot of the stuff, every Tom Dick and Harry could put "estate bottled" on their bottle. Now estate bottling in California has even more meaning than they do in France. It really does. Surprising; I think ours is a tougher law than even the French law. In our estate bottling, if it's a vintage, it's got to be 100 per cent from the estate or winery's own grapes. It's got to be 95 percent vintage. But the appelation has got to be 100 percent.

Teiser: You've really covered the whole span, so that you--

Skofis: Well, it keeps us busy.

Teiser: --your distributers can offer a whole line.

Skofis: That's right. We're going to be reducing some of our areas. Those wine types are going to stay there, but we also have different packaging. Many times you have one distributer in one area, "Well, I want that packaging," and you only do a packaging for him, and it doesn't work any more. We're just going to have standard packages because what we've put into some areas was a loss.

Teiser: I see you have a very stylish looking milk-bottle style package.

Skofis: That's the Toppan Easy-pour pack, a Japanese package. They used it for years in selling sake. Mr. Pasterick got wind of it, and he went over there last year. He saw it and came back and was able to convince our board that we should go on it. It's going very well. We have five different types of wine in it.

Cold Fermentation

Teiser: In Dr. Amerine's notes about this interview he mentioned temperature control and wine finishing clarification.

Skofis: Well, most of the wineries are pretty well standardized on that. We all ferment cold. Our white wines are all fermented cold. We try to ferment between 50° and 55° F in the white wines, and the rosés about 55° to 60°. And the red wines somewhere around 75° to 85° at the most. As far as the finishing is concerned, we do have the same stabilization practices as most wineries, except at Lodi we do one thing that a lot of the wineries have had problems with.

When you cold ferment certain varieties of white wine, after fermentation, they go through what they call a pinking process. You've heard of this pinking problem. And this happens many times in the bottle. You've got the white wine and all of a sudden you look at the wine and it's got a pink cast to it. What has happened is that there are certain polyphenolic compounds that, if you're fermenting warmer, convert over. In a cold fermentation they stay in the product. Nothing changes. We have found tanks of wine that, we check them this month and they're nice and yellow, the next month we go in there and they have this pinkish brown cast to them. So, "Gee, what happened?" Somebody dropped some red wine in there, initially we thought before all of us recognized the problem.

The way we found out, maybe a month later we'd go back and it's cleaned up. "What happened?" Well, the thing went through its change, polyphenolic compound converted over. Well, you don't know when it's going to do it. It may do it in the bottle. How can you make it do it? You don't know how you can make it do it. Heat up the wine? Yea, you can heat up the wine and do some damage. But we did find out that the Germans had this particular product that they were clarifying beer with, they call it PVPP. That acted as a specific absorbent for certain phenolic compounds. Those wines that we treated with PVPP never had the pinking problem.

That compound was very expensive. Then we found out that the Germans had a filter system where they would use this compound, and they would run the wine through it, and they wouldn't lose the compound; they would regenerate the compound--you know, bring it back to life again. We did studies on it and we bought the equipment. So we're one of the big wineries now in California that has this PVPP process. It doesn't affect flavor, it doesn't affect the color. What it does, it absorbs the polyphenols. Just those that are specific for this pinking. So that is one of the things on stabilization that we've done. We haven't advertised it, because we don't want outside the trade (marketing) to say we are treating with chemicals. Basically it is like a specific type of sponge in absorbing this pinking compound.

We've tried this rapid-cold stabilization (you've heard of that) where they actually seed the cold wine with a lot of cream of tartar crystals, the idea being that the crystals act as magnets

Skofis: for the cream of tartar that's in the solution--it draws it out like a magnet. The crystal that's in the suspension is small, and then it starts to have the other come out of the solution, grows greater, and the heavier crystal drops out. You filter the wine out and you have a what you call a cold stable wine.

Well, we have that system up there, too, and we can do rapid-cold stabilization. We don't do it as much. We found out that we can take the wine, chill it cold, put it in a tank for ten days, and get the same effect. But we do have the equipment, and we have many times lots of wine--a lot, not "lots" meaning many, but a lot, a batch of wine--that we have to finish in the next five days. We'll go through this system. Within five days the wine is cold stable.

Teiser: Those are things that I suppose nobody dreamed of, when you got into the industry.

Skofis: No, they hadn't developed them. But as they developed them, I was fortunate to get in on the ground floor on each one of these things. So I got my education on the job. After forty years, you can pick up a lot of information that way. But if you start from scratch it's hard to absorb it in four years.

Teiser: You must also, however, have filtered out a lot that didn't apply.

Skofis: Yes, about nine out of ten you actually discount.

Brandy

Teiser: Could you discuss brandy production now?

Skofis: Okay.

Teiser: I keep being told that you are the one person who knows the most now about brandy.

Skofis: Oh, I've done a lot of brandy distillation, grain distillation, high-proof distillation. I follow the field quite well.

Teiser: You've mentioned that you encountered brandy in your first job.

Skofis: Yes, at Italian Swiss. Italian Swiss Colony had Lejon brandy, and Hartley brandy. (That's an old label and they don't use it any more.) The Lejon label was well known. They used to make some of that brandy up at Lodi, and then when we shut the Lodi facility down in 1948 (they just closed that winery down, we never operated it except for one year after that) all the brandy was transferred

Skofis: to Fresno. We used to make some brandy for Italian Swiss; Italian Swiss had a small label, but not a well known label. The big label, Lejon, was transferred down to Fresno, so we started making brandy down here in 1948. We were making a considerable amount of brandy, and then in 1949, E. M. Brown decided that we were going to make all our brandy by pot still. So we had a pot still that they brought from Lodi. That year we made five thousand barrels, pot brandy.

Teiser: Why did he decide you should do that?

Skofis: Because the best brandies in France were made in the pot still.

Teiser: Quality alone?

Skofis: That's right. But there was one variable there that they did not consider. I found out later, of course. I was new, I just did what I was told. We were told how we were going to make it, and we made five thousand barrels in a pot still. We had a white Russian distiller, typical white Russian. He had immigrated to this country via Hong Kong after World War II. He knew about pot operations.

Teiser: What was his name?

Skofis: I can't remember. That was forty years ago now [laughs].

Anyway, he knew a lot about pot brandy, and I learned a lot from him about pot still distillation and the purpose of it, which wasn't known too much in California in those days. It was little known. We made a mistake, National. All our brandy went into new barrels. You had to age it for two years. In two years in the new barrel it was pretty good, but they didn't want to sell two-year-old brandy. But the brandy was very oakey in two years. All the good pot flavors that you had made were more than overcome by the very heavy American oak. So the third year we had a very heavy brandy. They decided at that time that they could not use it straight, the way it was. It was too oakey. They decided to send much of it to the eastern National bottling plants.

National had transferred a big part of the brandy bottling back to, I think it was in Louisville, Kentucky. So we transferred a lot of the barrels back there, and they did their brandy blending with other California brandy and bottled it out with the Lejon.

It was my first experience with the importance of learning how to age brandy. You just don't make brandy and put it in any barrel. If you put it in the barrel, you had better know the kind of barrel you're putting it in, and how long you're going to be putting in there. Because you extract so much oak flavor. We extracted so much oak flavor that the brandy tasted like a bourbon.

Skofis: It smelt like a bourbon, believe it or not. I couldn't believe it. And I had samples of the new distilled brandy, and every six months we would analyze the brandy, so I kept my hold-back samples. I was very interested. And you could see this thing picking up the oak quickly.

And naturally, as it was picking up, I kept telling E. M. Brown. He said, "Oh, you watch it. It's going to turn around." Well, it's a possibility that if we kept it for six or eight years, it might have come back in, but they couldn't wait that long.

Teiser: Can you transfer it into old barrels?

Skofis: In France, I found out later, they put it into new barrels and then take it out six months later. They'd get all the oak they want, and then they'd put it into a used barrel. Then they'd continue the aging.

Teiser: So you learned some things the hard way.

Skofis: You learn some things really the hard way.

Teiser: You had different government definitions of brandy, didn't you?

Skofis: Well, the thing that we ran into is the fact that the brandy regulations changed quite a bit. In the early years after Prohibition, they were permitted to use the term "cognac." But then they invalidated that use, and it was illegal, because France complained. They used to make what they call a muscat brandy, besides a cognac brandy.

Those regulations were changed in the thirties at the instigation of the French; they wanted to hold cognac to brandy made in the Cognac area. So our government agreed to such restriction on labeling. Basically the brandy distillation was left alone, but they had to make brandy under 170 proof alcohol. And you had to be sure in the regulation that nowhere in the distillation did that brandy reach over 170 proof. Well, how you could ever prove that? So as long as you took it off the sidestream, and you had 170 proof, it was considered beverage brandy. From 170 to 190 was considered neutral grape brandy; could not be put in a barrel or aged and bottled out. It was only that you could use that in the liqueurs. So you could take neutral grape brandy, put blackberry flavors in it, and call it blackberry brandy.

Anything above 190 had to be called spirits grape. And that's essentially the definitions yet today. The difference was, in that '68 period when I was chairman of the laws and regulation committee, the question of the congener levels came up. We wanted to have different congener levels. We discussed this earlier in this interview.

Skofis: As previously discussed, we decided the only way to control flavor levels is to have the proof of distillation determined in the tank. So if you ran, say, 190 proof brandy in the morning into the tank made with very neutral cleaner, and then in the afternoon you ran enough of the heavy brandy in there, that you could then determine at 170 proof at what point your flavors were, and drop it. This is what people can do today. I won't say it's the best way to do it, but it's a legal way. The proof of distillation today in brandy is determined in the tank. And the brandy has got to be distilled under 170, that's the definition. Made from wine, or the fermented juice from ripe mature grapes, whole sound fruit. Our standard wine.

Teiser: Do they still have bonded brandy?

Skofis: No, there's no bonded brandy. Bonded brandy used to be, you'd have to have 100 proof, and what you'd do, you'd bottle and put it in a bond, but you never paid taxes for it while in bond. They did away with that a long time ago. They had so-called green stamp 100 proof. You could bottle brandy, put it into the warehouse and not pay the tax until it went out. There was a big change in the sixties, I don't remember the year exactly. The Internal Revenue code was changed, so that you could bottle one month or two months ahead, put it in a warehouse, and you paid the tax as you shipped it out. Whereas before, the moment you bottled it, you had to pay the tax or within fifteen days, reported and paid.

Teiser: This reminds me of something I forgot to ask about one of your products. There is a kind of a vodka?

Skofis: Silverado vodka.

Teiser: Is it a grape product?

Skofis: Made from grape wine.

Teiser: How does it go?

Skofis: We sell more export than we do anything, because in the U.S. there is sold thirty million cases of vodka annually, and one can buy in any spectrum of price that you want to pay. The spectrum of price does not reflect the quality, because there are some that are very cheap that are as good as the more expensive ones. We decided not to try to buck that market, and that we were going to target our price into the Stolychniya and Smirnoff price range. We just can't put the marketing dollars in back of it. So we have limited sales. But we do have people that buy it that are sensitive to grain spirits. There are some people that have an allergy to grain spirits. They have found out that they can drink grape vodka. But then, we didn't put it out for those people.

Teiser: Is it much different from brandy?

Skofis: Oh, yes. Just like a vodka. But it's got some of its own distinct character. Some people like it very much. And we sell quite a bit more export; we sell three times as much export.

Teiser: Where do you export it?

Skofis: One of our big export countries is Japan. They like the grape vodka. It's not a super big item, but it's a big item.

The Influence of James G. Guymon

Teiser: Dr. Amerine suggested that I ask you about Dr. James G. Guymon, and his significance and his work as you have known it.

Skofis: My initial contact with Jim Guymon is, we were having our first technical sessions up at the University in 1948. The University sponsored a two- or three-day meeting in the summer. Dr. Guymon at that time was giving some talks on distillation, particularly on the principle of distillation. Being that I studied a little bit of distillation from my studies in chemical engineering, I thought it was rather fascinating. It was a review for me, and a good review.

I got into it because I could see here was a person that really, at least technically, knew about the principles, something that some of the other people I would talk to around the industry didn't know. He made sense in respect to the curves, where the various compounds would come off that, and why, and the volatility of the compounds at various proof points. So I was very impressed with him.

Then, we were making brandy here at Fresno Italian Swiss, and he'd visit around Fresno. I invited him once to come and visit us. In discussion with him on how could we improve our brandy, he told me what he thought. Number one, that you had to have fresh material. He said too much brandy is made in California using old wine, distressed wines, or wines that you don't know what to do with. "Oh, we'll make them into brandy." And you'll concentrate your bad flavor in the brandy. In those days, you couldn't use fortified wines in making brandy; it was not considered acceptible.

Teiser: It was not allowed by law?

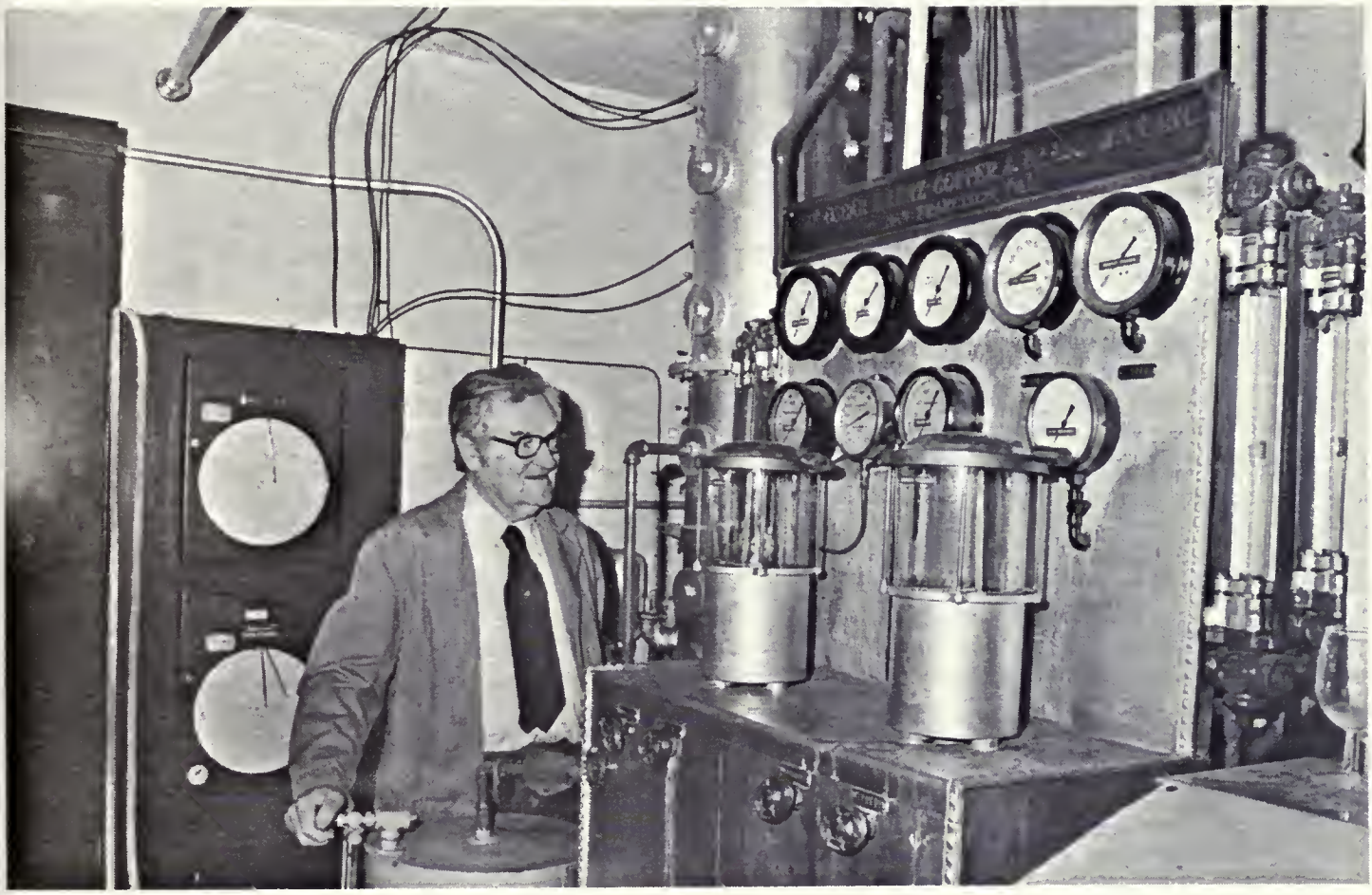
Skofis: Well, it hadn't been clearly defined at that point. They said, "Standard wine," but standard wine they felt is naturally fermented wine with no spirits added. He was of course pointing out why. He suggested, "You ferment your wine well and make it into brandy."

Well, I was able to get our people to let us make some brandy that way from freshly fermented wine, and all of a sudden I could see the improvement in the quality of the brandy from one we'd made with older wine. We didn't have the analytical tools in those days that we have today, but this analytical tool here, the nose, doesn't ever change. I mean there's nothing you can do to improve it except yourself, and the teaching of analyzing by nose yourself. I could see the difference myself, and we could do some analysis on esters and fusels. And the analyses told us something: that you could have a good brandy that had this much fusels, and you'd have a poor brandy that had much less fusels that stunk. We couldn't in between analyze as much as we used to, as we do today, when we have more sophisticated analytical tools.

That impressed me quite a bit, so I started telling our people we got to make brandy from fresh wine.

"How do you expect to make brandy from fresh wine when you've got all that distillation due to the high-proofing?" I said, no, we had a third still over at Italian Swiss that we never were using. I said, "We'll convert that to a brandy still." "Well, how do you propose to do it?" I said, "Every Monday morning, we will start fermenting juice, and the next Monday morning we'll distill it." We didn't have enough distillation to go all week. We started to make our brandy that way, and our people were impressed, even Mr. [Enrico] Prati. He was impressed by the fact that the brandy was coming out so fresh. So it was agreed that's where we would be making brandy, in our own organization. That's where we did it, Italian Swiss. For our Lejon brandy.

When I came over to Roma in 1955, their brandy sales were better than Italian Swiss at that time. They had the Coronet brandy, and they were doing exceptionally well. I tried to institute these methods, and I got a lot of static. I finally was able to get to the whiskey distillation people and get their support. Pretty soon the general manager gave me support, and he said, "Okay, we'll try to make brandies as much as we can during the season, even though our distilling columns are used for high-proof." But when they were down, we would do it. So we started to make brandy. At the beginning of the week we would boil out the stills, which they didn't like, to clean them up. We would run three days of brandy, and we'd run four days of high-proof on some stills. So we started making it, and it made an impact. It continues. Our quality people in Cincinnati and particularly a Don Brandt, who was a quality control officer, he was all for it. And then the other people were all for it. So all of a sudden they



Dr. James F. Guymon, ca. 1976.

Photgraph by Wines and Vines

Skofis: see, we can turn out good brandy. It used to be, we'd distill all of our brandy after the season was over, some time in February or March. We'd make so much wine and put it away. If the wine went bad, that's okay, we're going to make it into brandy. Well, that's not the way to make it.

So our people recognized, just like they made whiskey with fresh material, you could make brandy. Well, I was not aware that whiskey in those days was being made with that fresh material; although with National Distillers it had been pointed out to me, it didn't register as much until I made whiskey here myself, in 1955. In '56 then, the whole thing came into place, with our people here at Fresno. So we turned out some good brandies after that. And this is the whole crux of it, and this is what Guymon pointed out and a lot of people never followed. The rules are there. He explained it; the people that understood did it.

Now, over at Setrakian's winery in Calgro,* they used to do it that way, and they turned out some good brandy. Nino Muzio, that's where he made his brandy. He made good brandies all year long, because he would ferment and distill, ferment and distill. He turned out good, fresh brandy all the years he was making it. He was a good brandy producer. I think he may be dead now, but he was just a man that came up through the ranks, and I talked to him many a time about it.

After a while, you can tell when brandy is made from good material, or just regular older wine. Your nose--you get used to it. Organaleptically, you can pretty well pick out good brandy. And this was the thing which Guymon did. Of course, he did a lot of research--

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Guymon did a lot of research. On components, of brandy. And aging processes in brandy, you know. He came out with different types of wood for aging, and under different temperature storage conditions, humidity conditions. He did a lot of that work that had never been done before.

Teiser: Did everyone in the industry then benefit by it, or did just some of you?

Skofis: The ones I think--well, I don't know--I think those who really felt his particular recommendations and understood what he was saying, turned out good brandy. Italian Swiss, I know we accepted that system, and even later on, when they were making brandy at other areas of Italian Swiss, they were following those procedures. Made the wine fresh. So the Lejon brandy was always made pretty good.

* California Growers Wineries.

Teiser: Was most of this that you've been speaking of just now column still brandy?

Skofis: Yes. Very little pot brandy is made in California.

Pot Stills and Fresh Wine

Teiser: E. M. Brown had made pot still brandy here?

Skofis: No. We made pot still brandy at Italian Swiss at Lodi and Fresno. They had the pot still up at Shewan Jones at Lodi. When they closed that distillery down, they moved all the equipment to Fresno. They hadn't done much distillation up there at that time. They built a great big modern distillery with all the money they made during the war years. Then they ran it for a short while; I think they ran it one or two years.

Teiser: You had a pot still here?

Skofis: Here they had two pot stills. In the old Schenley days, they used to make a limited amount of pot brandy. They didn't make too much. When I came here I suggested we make more pot brandy. We had a research man, Dr. Martin Liebermann from Schenley, who was a German Jewish scientist who had come over here, and he was a very knowledgeable man who came and visited us a number of times. He saw my enthusiasm too for pot still, and he encouraged we make more of it. And we did make some pot still brandy; we made it a couple of years.

Teiser: What did you do with it?

Skofis: Well, we aged it, and they used it. But they never went back to making a lot of it, because it's an expensive brandy.

Teiser: Did you bottle it separately?

Skofis: No, they used it in blends. We got all the results, and they knew that they could do it, but they never did anything about it because it was a more expensive brandy to make. It's very slow distillation process, you know.

Teiser: Did you blend it in with your--

Skofis: Yes. They blended it in with the other.

Teiser: I understand that Christian Brothers has always made a small amount of pot still, which it blended in with--

Skofis: Right. That's right; that's what they do. But their pot still brandy is--they call it pot still. To me, it's semi-pot still because it's a pot that has a rectifying column on top, and I think they were just making five or ten thousand barrels a year. When it was aged, then they blended it with their regular brandy. And you can taste a little of the pot character in their brandy. But not that much.

Teiser: What is the history of the pot stills here?

Skofis: Well, the pot stills Schenley had before my time, but they never used them to any degree. Then they used them, as I told you, when they were making whiskey, they used them as doublers. So they had a dual purpose. They left them there. When I came here, I immediately said, "We should make some pot brandy." I got them to make a limited amount, but they never did much about it. Schenley never did--they just figured it was too expensive, why make it, we can't make too much, we're making a continuous brandy that satisfies them.

Well, when Guild bought out Schenley, Mr. Ivie, the president saw it, and he said, "Well, can we do anything on pot?" I said, "Yes." So he wanted me to start making pot brandies, and we've been making pot brandy every year since then--'71 and '72. We missed one year, 1973. We didn't make any pot brandy because we had so much need for grapes that we made it all into wine. And in '74 we made a real fine pot, and that was one year of pot brandy that Dr. Guymon saw. He couldn't believe it. He thought it was one of the nicest pot brandies he'd ever seen in California. It's still aging. It's twelve years old. It is outstanding.

This is a sample of a proposed pot still brandy blend we're thinking of bottling, and if you have any idea what, which I'm sure you do, about what French pot brandies are, this is, what we've made by that system. That's what we propose to put out. That's going to have to go all by itself. Pot still.

Teiser: May I taste it?

Skofis: Sure! It's 80 proof. [pours]

Teiser: [tastes] Oh, that's very good!

Skofis: That's what we have. We're developing a package for it now. It has a pot character, the cognac character. That's made from, believe it or not, the St. Emilion grapes. All our pot brandy is made from the St. Emilion grapes. We played around with a little bit of the Thompson to see how--but we're not going to go with that. But we've used the St. Emilion grapes, and we also made some with French Colombard recently.

Teiser: Is this just--

Skofis: All St. Emilion. And I don't know if you recall, but in 1975-76, Mr. Ivie tried to get a regulation to permit us to put out a vintage varietal brandy. Do you recall that? And the whole industry fought us and we lost the battle.

Teiser: I do remember that.

Skofis: And this was part of that--except it was much younger then. If you want to put out a vintage variety, [if] you want to put out a 1974 St. Emilion brandy, it's going to be a big item. And everybody fought us, they were all jealous. The whole industry was myopic.

Teiser: Most brandies are not vintage, are they?

Skofis: Well, we had permission to show vintage on our bottles. I have a few bottles of vintage brandy. After we lost that battle on this here, they withdrew our vintage permission. They said it was wrong that they had permitted us to put vintage brandy out.

Teiser: It's awfully good.

Skofis: It's not very much, maybe four thousand cases a year we could put out, for a certain period of time, and then as we accelerated, we'll be able to increase the volume. It'll be years away. We put it in used barrels, we didn't put it in new barrels. We put it in once-used brandy barrels.

Teiser: French oak?

Skofis: No, American oak.

Teiser: Are you going to release it now?

Skofis: We hope to this fall if we can. With the change in the president, I don't know what they're going to do now. But we have the package.

Teiser: I'll stand in line for it.

Skofis: We've sent out samples to various parts of the country, and we've had some hotel people tell us, "Hey, we'll take 200 cases." We say, "Well, we don't know we're going to--" In other words, they liked it so much that they would use it as their house cognac. Some of them call it California cognac. We said, "You can't do it." We can't call it cognac.

Teiser: When did you get your Prulho stills?

Skofis: Our alambic stills?

Teiser: Yes.

Skofis: We got those in '84.

Teiser: All four of them?

Skofis: No, two. Two in '84 and two in '86.

Teiser: They're all Prulho?

Skofis: They're all Prulho.

Teiser: Did you specify anything about them, or are they just their standard--?

Skofis: Just their standard 25 hectoliter pot stills, that's the government maximum size that you can use to make pot still brandy (or alambic brandy, whatever it is)* and call it Cognac in France. They have bigger stills they make where the French law also permits them to use a 100 hectoliter pot to run the wine off, but then the final distillation has got to be made in 25 hectoliters. Some of the big distillers now are buying these 100 hectoliters so they have one big pot to run the wine off. That's like four pots, and those four pots, they'll have say, three big four pots, and they'll be feeding twelve small pots, so they don't have the number. There are some distillers doing that, and some of them don't. They say, we don't want to have anyone saying we don't do it by the old system.

Teiser: Your long-range plans for your pot stills--

Skofis: Well, this is my thinking if they're going to make this a viable program, and not just going to play with it. We can put out four thousand cases per year and get a reputation. It's more than a reputation we want; we want some good money return. We should start here and start to build up. The market is here. And as soon as you see you can sell the four thousand cases, then we may have to cut back on the aging and maybe not make it quite as old. We were thinking in terms of eight to ten years, I think they're going to have to go at least eight years. (That's where RMS has made the mistake. They came out with three year.) Of course, it's more expensive brandy, and because there's more evaporation, there's more flavors left behind. We might get by with six years.

But suppose we get by with six years, and you want to increase the program up. You've got to start now putting away every year so much that as your sales go up you have enough. Suppose your sales want to go up like this, you can only have this much supply. So if

---

* The terms are used interchangably.

Skofis: you're going to have the big supply in here, somewhere in here eight years before you reach that, you've got to have made that brandy. And if you're going to make that brandy eight years earlier, and you have this quantity, you better have the distillation capacity. These stills are limited how much they can turn out.

You've got to use fresh wine; you've got to do this in France. Their distillation period ends March 30. All their distillation has got to be completed by then. Otherwise, the brandy that's distilled after March 30 picks up the next year's aging. So if you make wine in 1986, and you distill it from November until March of '87, it's considered '86 brandy. But, if you distill that '86 wine in May, it's considered '87 brandy.

Teiser: Let me get back. Did you ever receive permission to vintage date your brandy?

Skofis: No, I told you, the industry was against us. Completely against us; the government withdrew it. We may go back to it again, because the government had a myopic view, and I think some of the people in the industry have relented now, and they realize it was a jealousy thing. Plus the fact that our president, Mr. Ivie, he didn't approach this the right way. He went in there booming with his double fists. I think if he had been a little more solicitous of the industry, had had some private tastings with some of the owners, he would have got the thing. I don't think he took the time to explain it to them, and get their support.

Teiser: I can't think who would be offended by it.

Skofis: Well, Christian Brothers was offended by it. The only one that didn't vote against us, a friend of ours, he abstained, was Korbel. Korbel it didn't offend because we sold him brandy. He said, "We won't vote against you, but we won't vote for you."

Teiser: You're not going to blend one year with another?

Skofis: Yes, we have to. It's the thing the French do, and we have to do that.

Teiser: Even if you vintage it, you're going to?

Skofis: Well, we didn't get the vintage. If you vintage it, you have to keep it separate, it's true. But my reason for not vintaging is every year you have a different quality of grapes. If you have one year that's extraordinarily good you want to vintage it. The 1974 turned out super. You could, even when the brandy was first made, put a glass in here and it would smell the whole room up. Guymon, he was so tickled to death that somebody was making a good pot brandy using St. Emilion grapes.

Elie Skofis

1988

Photograph by Ruth Teiser

Skofis: Of course, we handled the grapes right. We brought them in low sugar and high acid.

Teiser: Where did they come from?

Skofis: Well, these happened to come from the Delano area. They came off the Schenley ranches, and we had St. Emilion grapes, they were called Ugni blanc.

Teiser: I hope that you'll go on with your pot still brandy.

Skofis: Well, we're going to go on with it. I hope that they see fit to bottle this brandy eventually. We're making some pot still brandy for private parties. We hope that they will also continue wanting more, and if they do, then we'll be buying more pot stills. We're making quite a bit for ourselves, quite a bit for them. I can't reveal who they are. But it's kind of a joint venture right now.

[End of Interview]

Transcribed and Final Typed by Shannon Page

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APPENDIX I

1983 GUYMON MEMORIAL LECTURE
Given at 1983 - American Society of Enologists
Annual Meeting - June 20, 1983

CALIFORNIA BRANDY -- YESTERDAY, TODAY, TOMORROW

Elie C. Skofis - Lecturer

****

Fellow enologists -- or should I address all of you today as fellow brandymakers. It is, indeed, a great honor to have been selected by the A.S.E. and U.C. Davis' Enology Department as the 1983 James F. Guymon Memorial Lecturer. There is no one in my 37 years in the California wine industry who influenced me more on the importance of using science and artful skills in brandy production than Dr. Jim Guymon. Those of us here today who were fortunate enough not only to have been able to work with him but also to have been taught by him are richer in each of our careers.

His impact on the California brandy industry has been brought out by many in our industry over the years, and I have seen how his dedication and untiring research has helped us in upgrading California brandymaking. Later in this talk, I shall bring forth various developments which have been influenced by Dr. Guymon and their benefits to us.

First, I wish to cover a period of California brandy history which predates all of us; that is, the period from early California to Prohibition in the United States -- Prohibition -- the big "experiment" from 1919 to December 1, 1933. As a youngster in Sacramento, I remember Prohibition with all its mystique when I would hear

about the Wright Act and about neighbors who had been arrested because they were selling so-called "bootleg" wine or spirits.

Many articles have been written about the earliest date on brandymaking in California but, unfortunately, we don't have very good historical records as to when it began and who started it. References are made to General Portola's first expedition in 1769 into what is now California, and that brandy was included in the supplies. In the same year (1769) the Mission San Diego was founded, and the Mission fathers planted vineyards for wine. They planted an unidentified grape variety which became known as "Mission." Distillation techniques and equipment used were crude, but a product called "aguardiente" (brandy) was produced. As other missions were formed and more and more vines planted, greater amounts of brandy were made; and one mission, the Mission San Fernando, was said to have produced 2,000 barrels in the 1830's. Father Duran, the brandymaker at this mission, was said to have made brandy that was "doubly distilled and as strong as the reverend father's faith."(1) This was, undoubtedly, a strong brandy. In general, the missions made, used, and sold wine and brandy without any government controls; but the brandy was primarily used to fortify the altar wines.(2)

By the late 1830's, the missions, as a result of the secularization acts by the Mexican government, were in disrepair and brandy stills and activity abandoned.(2)

In the early 1830's, a French vintner named Jean Louis Vignes (who had arrived in California from Bordeaux and settled in the Los Angeles area) bought some 104 acres of land (where the Los Angeles Union Station now stands) and planted grapes. Jean Louis Vignes, who was also known as Don Luis del Aliso by his neighbors, is credited with being the first person to bring European vine cuttings to California, and his first vintage appeared around 1837. Vignes made both wine and brandy -- called by its Spanish name, aguardiente. He was an experienced distiller as well as a cooper. By 1840, his brandy was being shipped to many other settlements in California and was selling for $4.00/gallon -- a very good profit. Many consider Vignes the father of California commercial brandy. He believed in aging in oak casks for up to six, eight, or ten years. A nephew, Jean Louis Sansevaine, bought out his uncle's vineyards and facilities in 1857 and continued to carry on the wine and brandy business.(3)

According to H. C. Peterson, Curator of the Sutter's Fort Historical Museum, in an article he wrote in the SACRAMENTO BEE on September 1, 1934 he reported that Captain Sutter probably established the first commercial distillery at Sutter's Fort in California in 1841. Apparently, Mr. Peterson was not aware of Vignes. Captain Sutter used wild grapes from that area and Indian labor to harvest, crush, and make the wine for brandy. He had constructed a still which was heated by a fire built underneath it. Water for the condensing

of vapors was brought up in buckets from the surrounding ponds outside the fort. As the story goes, in time the Indians discovered the secret entrance to the oak cask aging room and thereby managed to remove and consume the brandy stored there. Seeing the fighting, bloodshed and murders which resulted from the consumption of his brandy, Captain Sutter decided to close down his operation after three years rather than allow all the problems created from the drinking of his brandy to continue. His brandy had, apparently, been well received in and around the San Francisco Bay Area. Captain Sutter's wine cellar and distillery room have been preserved and can be seen today at Sutter's Fort.

It appears to me that Jean Louis Vignes was probably the first commercial brandy producer in California.

From that period on -- and particularly after 1865 with the increase in vineyards and wineries in California and especially in the San Joaquin Valley, brandymaking was on its own. No production figures are available prior to 1865. In that year, 20,415 gallons of brandy were officially distilled in California -- and by 1866 this quadrupled. By 1882 production had reached half a million gallons; by 1890, one million gallons, and 1.5 million gallons by 1891.(4) This increase was greatly due to the phylloxera vineyard damage in France which gave California brandy producers an opportunity to supply the brandy shortage. This came at a time in California when

there was, as there is today, an oversupply of grapes. Even Congress recognized the need to assist the California brandy industry by passing the Bonded Warehouse Act which permitted wineries to distill surplus wines into brandy, store it, but not pay the large spirits tax until it was sold. This helped the industry and resulted in a five-fold increase in brandy exports of 500,000 gallons in 1891. Also, California brandy began receiving international recognition.

In Slide 1 (which is a Table I dug out of the Wine Institute Historical Brandy Files) we see that better statistics were being kept; and in this table, the data was secured from the source indicated -- the Giannini Foundation, U.C. Berkeley, on both brandy and fortifying brandy production.

Most of the brandy from the 1830's to 1870's was made in small pot stills until the introduction of continuous stills made by coppersmiths like Sanders & Co. and Ludwig Wagner of San Francisco. Some of these Sanders stills were resurrected and used in the years following the repeal of Prohibition.

There is an interesting story about early brandymakers. Leland Stanford, the wealthy railroad builder, founder of Stanford University, and even governor of the state of California, had, by the year 1888, planted over 3,000 acres of grapes

SLIDE 1

TABLE I

PRODUCTION OF BRANDY IN THE UNITED STATES ANNUAL 1890 - 1918

****

YEAR BEGINNING JULY 1	TOTAL PRODUCTION	FORTIFYING BRANDY	COMMERCIAL BRANDY
1890	1805	194	1611
91	3667	696	2971
92	2359	620	1739
93	2948	1115	1833
94	1960	1047	913
95	3404	1528	1876
96	1813	1216	597
97	2906	1755	1151
98	3098	1912	2118
99	3760	2137	1623
1900	4048	2327	1721
01	4220	2408	1812
02	6431	4170	2261
03	5193	3473	1720
04	5449	3431	2018
05	4444	3124	1320
06	6138	4090	2048
07	6899	4380	2519
08	6441	3814	2627
09	7656	4888	2768
1910	7953	5102	2851
11	9322	6322	3000
12	8252	4939	3313
13	7308	4863	2453
14	8522	4505	4017
15	4159	1257	2902
16	8251	5040	3210
17	5357	3852	1505
18	1802*	1962*	--

* FEDERAL RECORDS FOR 1918 DID NOT RECONCILE.

SOURCE: DATA SECURED DIRECTLY FROM TABLES 29 AND 32 FROM SUPPLY AND PRICE TRENDS IN THE CALIFORNIA WINE-GRAPE INDUSTRY BY DR. S.W. SHEAR AND GERALD G. PEARCE, CONTRIBUTION FROM THE GIANNINI FOUNDATION, UNIVERSITY OF CALIFORNIA.

in the northern part of the Sacramento Valley -- mostly in Tehama and Butte counties. The vines were of French origin, and his purpose was to make good French-style wines. A winery was built in Tehama which he called "Vina." The story is that the first crop was not suitable for wines and was used instead to make brandy. Within four years, Stanford was producing over 20% of all California brandy. After his death in 1893, the winery and vineyards were bequeathed to Stanford University. The winery and distillery continued to be operated until 1916 when the Prohibition movement; the onset of World War I; and other problems caused the Stanford University trustees to close down the winery and destroy the vines. Today, the winery is a monastery for an order of Trappist monks.(5)

You might also be interested to know that originally in California brandy was made mostly from the Mission grape and some other V. Vinifera such as from the Stanford vineyard. Leon Adams, in his book THE WINES OF AMERICA(12) said that a man named William Thompson brought to the Sacramento Valley around 1872 a grape which no one really knew where he got it, and which Thompson called, "Lady de Coverly." The grape, later called Thompson Seedless, gained popularity and was planted extensively in the 1890's and 1900's in the valleys -- San Joaquin and Sacramento -- because of its yield and multi-uses, but had limited use in brandymaking

until after Repeal. This was partly due to the valleys' growers being conservative and sensitive to criticism, and they preferred being considered growers of raisin and table grapes. Also, around the turn of the century, the Tokay grape was planted in the Lodi area and shortly after was also being used to make brandy.

With the advent of Prohibition, there was very limited brandy production. The Federal Government did issue a few permits for limited brandy production for "medicinal" purposes. It was possible during Prohibition for a person to obtain a physician's prescription to purchase spirits -- whiskey or brandy, and many such prescriptions were issued.

In 1929 an organization was established by many wineries of that period and formed along the lines of the old California Wine Association. It was called Fruit Industries.(5) A.R. Morrow was one of the key figures in this new organization. One of my early teachers and supervisors, a man who worked with A.R. Morrow and Fruit Industries, was Elbert M. Brown. E.M. Brown, I have been told, was also the first enologist to graduate just prior to World War I, from U.C. Berkeley where he studied under Professor Bioletti and the then up and coming young instructor, W. Cruess. Elbert Brown was

also the first recipient of the A.S.E. Merit Award. Throughout my association with him and during my early years at Italian Swiss Colony, he used to relate many stories about the shenanigans which occurred in the brandy distillery operations during Prohibition.

In anticipation of repeal, the Federal Government issued a special permit for Fruit Industries and others to distill, store and age over 1,000,000 P.G.'s of beverage brandy. At the time of repeal (on December 1, 1933) therefore there were stocks of brandy, even though less age of which were available for sale. This was also true of the wine made ready for sale on Repeal Day. As of June 30, 1933, there were approximately 1,200,000 P.G.'s in Federally-bonded warehouses in California.(6)

With the repeal of Prohibition by the 21st Amendment to the Constitution, there was a new beginning for California brandy. In 1933 some 2,400,000 P.G.'s of beverage brandy were made -- some of which was even distilled from concentrate; and in subsequent years, this production increased.

In those early years after repeal, California grape brandy was identified as three types: cognac, muscat, and grappa. I bring this out, as the term "cognac" was then being used; but a few years later, as a result of French protests, U.S. government regulations prohibited its use.

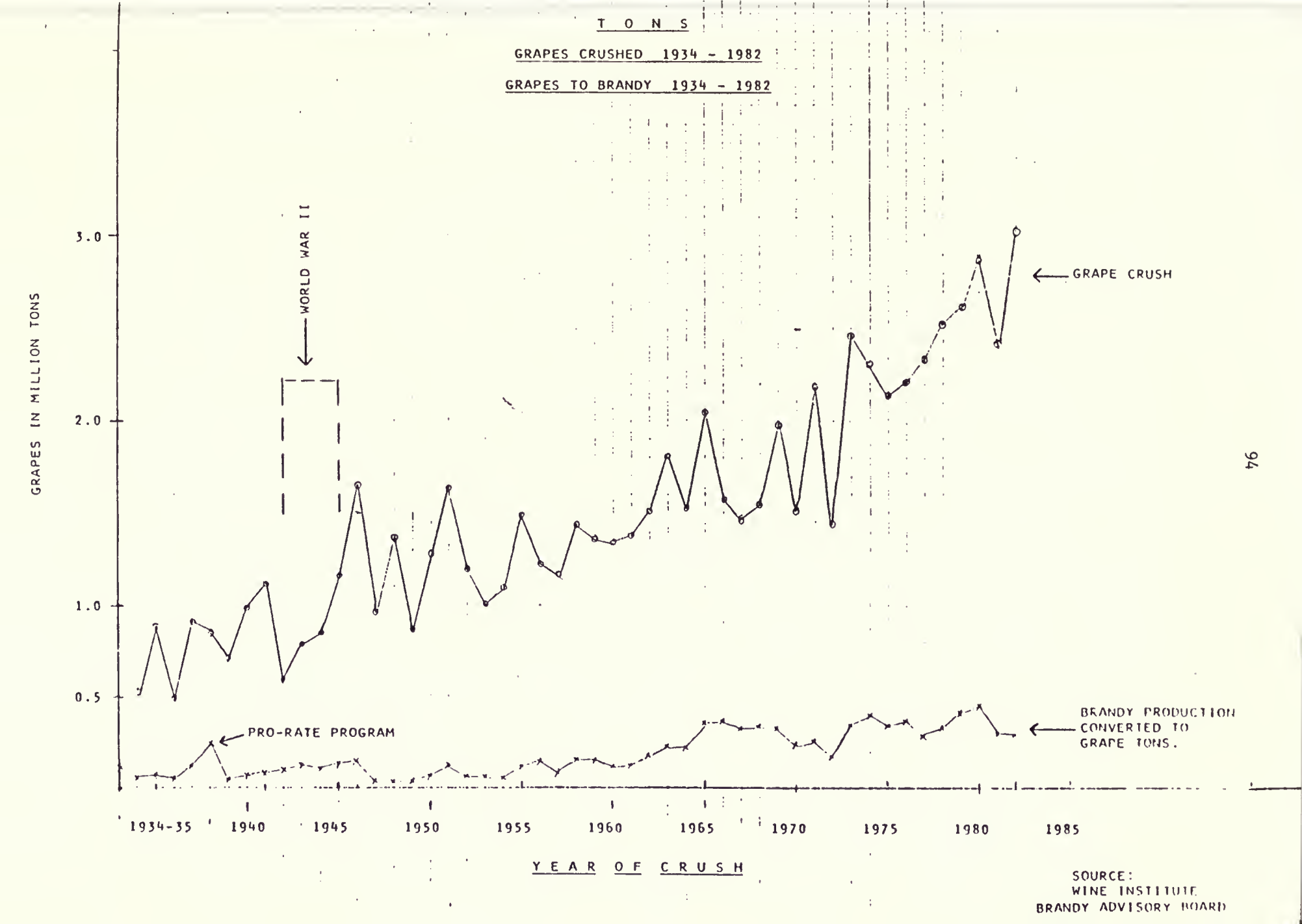
Our statistics for production of beverage brandy (or commercial brandy as it was mostly called then) during the post-repeal years and up to around 1938 are unclear since there was no real break-out of the production figures for fortifying brandy, as it was then called, and commercial brandy. It has been estimated that during the five years after repeal up to 1938 around 1.5 to 2.0 million P.G.'s of brandy a year were produced.

Due to the oversupply of grapes in 1938, as we have today a program instigated by the State of California was established that year whereby a large portion of the grapes were converted to commercial brandy and high proof. Approximately 45% of the tons were thus diverted to help stabilize the grape market and wine industry. The Growers Grape Products Association (GGPA) was formed to handle the brandy pool. In the January, 1968 issue of WINES & VINES,(8) Jim Riddell, a noted brandymaker, wrote that even though a quality board was established to pass on the quality of the Prorate brandy lots, the general quality was poor, and this haunted the post-war California brandy industry. There had been a large surge in the sale of California brandy during World War II; this was particularly due to lower inventories of whiskies and restricted use of grains for whiskey production during the war. This whiskey shortage was offset by the development, and the public's acceptance, of the blended whiskies which had less of heavy whiskey and oak flavor. Even this extension of blended whiskey -- 25% straight whiskey and 75% neutral grain spirits -- did not furnish sufficient quantities of alcoholic spirits to satisfy public demand -- particularly with the increase in consumption by the military and the general public

with more money to spend. (See Slide 2)

Brandy was another source of beverage spirits. Many consumers, however, became disappointed by certain poor quality brandies being marketed and did not forget this after World War II. I heard many consumers at that time state that they would not purchase brandy because of this. Poor spirit beverages were not only confined to brandy but also to some blended whiskies which utilized poor quality neutral spirits which were then available for use. Seagram 7 Crown was a better blended whiskey, and we can say that it was a forerunner of public acceptance of lighter spirits and brandies. Even today, Seagram 7 Crown sold 6,000,000 cases in 1982 and is the third largest brand spirit item.

In any war environment there are shortages, and World War II was no exception. Therefore, with this unique opportunity to satisfy a demand for distilled spirits, much brandy (good and bad), as well as wine (also good and bad) was sold. Much of this brandy was from the pro-rate and some was made from grapes harvested, due to the vineyard labor shortage, in late December and even January. The grape quality was poor, and any brandy made was poor. Also, during World War II all raisin varieties (Thompson) had to be made into raisins for food -- particularly for the 12,000,000 people in the U.S. armed services plus our Allies.


T O N S
GRAPES CRUSHED 1934 - 1982
GRAPES TO BRANDY 1934 - 1982
GRAPES IN MILLION TONS
3.0
2.0
1.0
0.5
WORLD WAR II
GRAPE CRUSH
PRO-RATE PROGRAM
BRANDY PRODUCTION CONVERTED TO GRAPE TONS.
1934-35
1940
1945
1950
1955
1960
1965
1970
1975
1980
1985
YEAR OF CRUSH
SOURCE:
WINE INSTITUTE
BRANDY ADVISORY BOARD

I am devoting extra time and attention to this area, as I want to stress that the California brandymakers and marketeers were aware of these quality problems and of the need to produce brandies that the American consumer would buy. California brandy experts of that day evaluated all the brandy stocks on hand and determined that Americans, as with other brown spirits, wanted a good brandy, but somewhat lighter in flavor. The heavier brandies, even some long-aged in new oak barrels, were not as acceptable. Most of the pro-rate brandy after World War II was distilled into high proof. Another problem affecting brandy quality (besides poor grapes) had been the pre-war lack of good brandymaking and distillery technology. We must remember that after repeal, or 15 years of Prohibition, not many of the pre-Prohibition knowledgeable brandymakers were around. Some, like Lee Jones of Shewan-Jones, and founder of the Lejon brand; L. K. Marshall of Bear Creek Winery; A.R. Morrow of Fruit; and E. M. Brown with Shewan-Jones and National Distillers, were basically the ones who understood the brandy business and who trained others after repeal. In my view, the period just after World War II was the time when California brandymakers became more aware of this need to improve; and we were fortunate that Dr. Jim Guymon was on the scene at that time to assist us with research (at U.C.) and by his frequent visits to wineries to discuss all aspects of brandy making. I, myself, can't recall the number of visits and long hours of discussion many of us had with Dr. Guymon on this subject of how to improve our brandy making techniques.

The timing in the production of brandies was a big problem. We must realize that post-Repeal and post-war California wine industry sales were 75%-80% dessert wines. Dessert wines require fortifying brandy, or wine spirits, or high proof as we call them today. The demand on our distillery equipment was for processing distilling material generated from that part of the grapes not used for juice. Also, remember that we produce approxiamtely 90 W.G.'s of dessert wine per ton of grapes vs. 180 W.G.'s of table wines. This meant that almost half the grape tonnage was distilled as high proof. The winery distilleries of that period were designed, based on the wineries' crush, only to handle this large amount of grape tonnage for high proo As a result, unless you were only a brandymaker -- and there were only a few such operations -- a winery had to do most of its brandy distilling immediately after the season, and only do limited brandymaking during the crush season. For many wineries, brandymaking was a by-product. Most distilleries did their brandy making post-crush season. My first brandymaking experience was with the ISC, Clovis Winery, the old La Paloma Winery, which was greatly expanded in 1946. We had two new high proof stills and one still only for brandy. Most wineries were not as well equipped. During this post-war period a number of areas involving brandy production needed improving. There was the need to produce better wines for distillation rather than use, as had been done by some, the balance of the grape after drawing off some free run for wine only. Also, there was a good deal of controversy between the Federal Alcohol Regulatory Agency and the brandymakers as to the definition of "brandy" and what material was eligible for distillation into beverage brandy. In 1941 the Brandy Gauging Manual was amended so

that there were three basic classifications of distillate made from fruit-grape. These were grape brandy, neutral grape brandy, and spirits-fruit grape. Also, there was the definition that brandy -- whether neutral or grape -- had to have the "taste, aroma and characteristics generally attributed to brandy." In addition, grape brandy was to be distilled at less than 170° proof, and neutral brandy at between 170°-190° proof with both these distillates to be made from the whole fruit.

Although there was considerable debate and controversy over this ruling, the Federal Government's position remained firm. Regulations required that these products -- grape and neutral brandy -- be distilled solely from the juice or mash of whole, sound, ripe fruit or from natural grape wine; and their interpretation of what constituted "natural grape wine" was what we call "table wine;" i.e., 11-13% dry wine. The reason this was such a controversial point was that the brandymakers wanted to be able to produce a new type of brandy -- lighter in flavor, or congeners, and basically the fusel oils, and primarily the amyl alcohol fraction of these congeners. At this post-war period with new distillery expansion taking place, some new still columns were erected, and could under approved statements of process permit the heads fraction to be redistilled with live steam and returned at lower proof via the closed pipeline system back to the main column and blended with the main brandy stream, and thus produce a lower congener product.

The regulation at that time required that the product draw not be over 170° proof at the tri-brix. Since that period, and during my term as Chairman of Wine Institute's Laws and Regulations Committee, the regulation was changed so proof of distillation is now determined in the production tank.

With the desire to produce lighter brandies and to terminate all the controversy of that day with the Federal Alcohol Agency, the regulation was interpreted by the government in the early 1950's that a fortified wine would be considered a standard wine and could be used in beverage brandymaking. This was a big step forward for the California Brandy Industry. This change in the Federal position was most important since it enabled all brandy producers to make different level congener brandies; and with the American taste for lighter spirit products (like Seagram's 7-Crown), this was made possible.

In the years following World War II the California brandy producers, cognizant of the damage done to the brandy industry from some low-quality brandies which had been marketed, changed their attitude toward brandy. Improved technology, both in the production of the wine to be distilled and changes in equipment and distillation control, resulted in uniform good brandy being produced.

During this post-war period, Dr. Guymon conducted considerable research in brandy production enabling brandy producers to better understand why certain practices were important in the production of a quality product.

In the period from 1939 through 1943 -- and prior to his military service -- Dr. Guymon had either alone, or with others, authored and published seven articles on brandy. Most of this work was specifically directed to subjects such as fermentation mechanisms, analysis of sugar, pH, and tannin, etc. From the period 1948 to 1977, however, he authored or co-authored some 77 published articles on subject such as mutant yeast fermentations to reduce fusel oil; understanding of distillery operations; analysis of many beverage brandies; improved analytical procedures by gas chromatography; brandy aging, including warehousing loss studies; and other miscellaneous subjects. Some of Dr. Guymon's co-authors were E. Crowell, John Ingraham, J. Nakagiri, M. Amerine, and C. Ough. And there are other unpublished research projects in Dr. Guymon's files which we hope will someday be reviewed and published. (See Slide 3)

In 1976, the California Brandy Advisory Board funded a project to compile the published papers of Dr. Guymon. This project -- "Compilation of Findings on Existing and Ongoing Research Concerning California Brandy Production and Aging" was concluded in August, 1977 when two volumes of these Guymon articles were

EFFECTS OF TEMPERATURE ON FORMATION OF HIGHER ALCOHOLS IN GRAPE JUICE FERMENTATION

Mg OF ALCOHOL PER LITER OF WINE

	FERMENTATION TEMPERATURE °F				
	50	60	70	80	91
Isoamyl	150	182	228	230	168
Active Amyl	45	48	52	65	45
Isobutyl	40	38	39	41	37
n-Propyl	48	36	33	34	39

Extracted from

C. Ough, J. Guymon, and E.A. Crowell, "Formation of Higher Alcohols during Grape Juice Fermentations at Various Temperatures."

J. Food Science 31:620-625 (1966)

turned over to the California Brandy Advisory Board. At that time, it was hoped that this would be the prelude to a book on California brandy by Dr. Guymon, but his untimely death shortly after retirement halted this. We hope that sometime in the near future all his published and unpublished works will be compiled and presented in book form. Any volunteers?

In my opinion a very important contribution affecting our brandy industry made by Dr. Guymon was his work on factors affecting higher alcohol formation during fermentation, thus finding ways of reducing these higher alcohols in wine with a resulting lower fusel oil content in the brandy. Also, distillation work done by Dr. Guymon demonstrated the distribution of various higher alcohols -- propyl, buty, and amyl -- at the various proofs on still columns.

Also, another very important research project -- which resulted in millions of dollars of savings to both the California brandy and grain alcohol industries -- was the recycling of the heads (aldehydes fractions) back to the alcohol fermentation so that up to 95% of the aldehydes disappeared in the fermentation.

I became involved with Dr. Guymon in this project when I was with Schenley. We utilized the high heads spirits by adding to sweet juice, which in turn was refermented with

other distillery material. After distillation, we had a clean spirits. Previously, if we treated the heads with various chemicals such as caustic or potassium permanganate to destroy the aldehydes, we got a redistilled spirit. fishey or chocolaty in aroma, and poor in quality. Overall, we lost approximately 1% of the original P.G. input as high head distillate which was destroyed. Guymon's process resulted in a recycling and recovery of this heads fraction with little effect in final quality of the spirit and reduced loss of very high heads distillate (over 10,000 ppm aldehyde) to 0.1-0.2% of the original P.G. input.

From the results of this work on aldehyde recycling we, at Roma and Schenley, repeated this in a Schenley Canadian whiskey distillery to determine if this was feasible with grain spirits as well. It proved very successful. From industry results and requests from all distilled spirits segments -- grain and brandy -- the U.S. Federal Agency approved this aldehyde refermentation process to recover these heads fractions into usable spirits. Just how much money has been saved since 1956 due to this Guymon research project is unknown, but I would not be exaggerating if I stated that since 1956 I conservatively estimate that there has been a savings of at least $10,000,000 from redistilled heads previously destroyed

Dr. Guymon's impact on today's production of higher quality California brandies was in his emphasis on the following:

1. Proper grape maturity -- high acid and low pH;
2. Preference for white or lightly-colored varieties (such as Tokay, Mission, Emperor) over red or black varieties;
3. Separation of juice from skins or pomace prior to fermentation and handling them as a dry white table wine;
4. Low SO_2 - (not over 75 ppm in the brandy wine fermentation);
5. Fermentation temperature lower than $75^{o}F$;
6. Distillation of the fermented wine immediately after fermentation with a partial racking from heavy fermentation lees;
7. If wine fortified, only high quality wine spirits used.

The above deals with distilling materials which, in my opinion, are the <u>keystone</u> to quality brandy. The other aspect has to do with the distillation of this DM into brandy.

To produce a uniform brandy, good control of the distillery process is required. In the past, the distiller learned to produce a good brandy after he had learned how to manually control the multiple variables in the distillation, and a neophyte distiller was awed at how a little adjustment here and there did the job. Actually, with our modern instrumentation,

we can effectively control the distillation. Prior to the present instrument controls, the operator had to manually control the flow rates of the DM input and product output; the heads draw; the water control to the dephlegmator; the reflux; steam, etc., and a change in any one of these variables would cause an upset distillery condition. Today, particularly with automatic instrumentation, we can control many of the variables such as installing in the bottom of the beer still a base pressure control for steam, a temperature control for overhead vapors which, in turn, can control the brandy product draw. There are other points in the distillation where certain variables can be fixed and automatic controls modulate the feed, product draw-off, water control, etc. to insure a smooth operation.

California's brandy producers have learned much from the whiskey distillers. During my early experience with both National and Schenley, I learned the importance of a clean fermented wine, or beer, as it's called by the whiskey distillers, if a clean distillate is to be produced. In whiskey production, the beer is distilled as it is completing its fermentation to insure that no adverse microbiological action takes place. And an experienced distiller can tell by smelling the distillate if this bacterial action has occurred even before any chemical tests are made to confirm an "aldehyde" formation.

No heads are removed in whiskey, yet the final product will be low in heads. To whiskey producers, a clean beer results in a clean whiskey, and the same can be said of brandy. Therefore, anyone who wishes to produce a quality brandy must first produce a quality wine.

We should take a look at both California and import brandies to get some view on the congener levels.

Slide 4 shows a recent analysis of twelve California brandies which represent approximately 70% of case sales. Please note that most brandies are lower in the iso amyl fraction, indicating either use of fortified brandy wine or special distillation techniques. Also note that of the twelve brandies apparently only two (#2 and #8) are unrectified or "straight". The other have approximately 1.0 to 2.0% of sugar and glycerol. Recent statistics show that approximately 9% of U.S.A. brandy is unrectified.

The French brandies were from an analysis prepared a few years ago on some French brandies which had been imported and bottled in the United States. In my view, the main points are the higher amounts of higher alcohols, aldehydes, and ethyl acetates -- and subsequent longer aging. It should also be noted that the Spanish brandies -- very large sellers in the

United States and worldwide -- have very low congener levels -- particularly in the lower amyl fraction requiring possibly less aging time, some rectification, and lower brandy flavors (yet very acceptable to consumers). The two Mexican brandies also are slightly lower in amyls, but one has a very high ester content.

I have dwelt on the congener level at length, as I believe this is one of our main yardsticks in classifying brandies as to heavy, medium, and light. Congeners give us flavors, some better than others. High amyl fraction is unacceptable to taste unless aged for a very, very long time; yet a medium or light congener brandy made from a clean wine and properly distilled can give a delightful brandy which, with less aging and some rectification, is pleasing to consumers.

Today we understand what is required to produce good brandies, and most brandy producers are doing a good job of producing brandies which in tasting can be graded very close. Yes, the more experienced brandy tasters can pick out the lighter brandies from medium and heavy brandies, but generally, as shown in the slide, the big majority of our California brandies are within a fairly close range.

I believe we have overcome consumer concerns surrounding brandy due to the poor quality brandies of the World War II

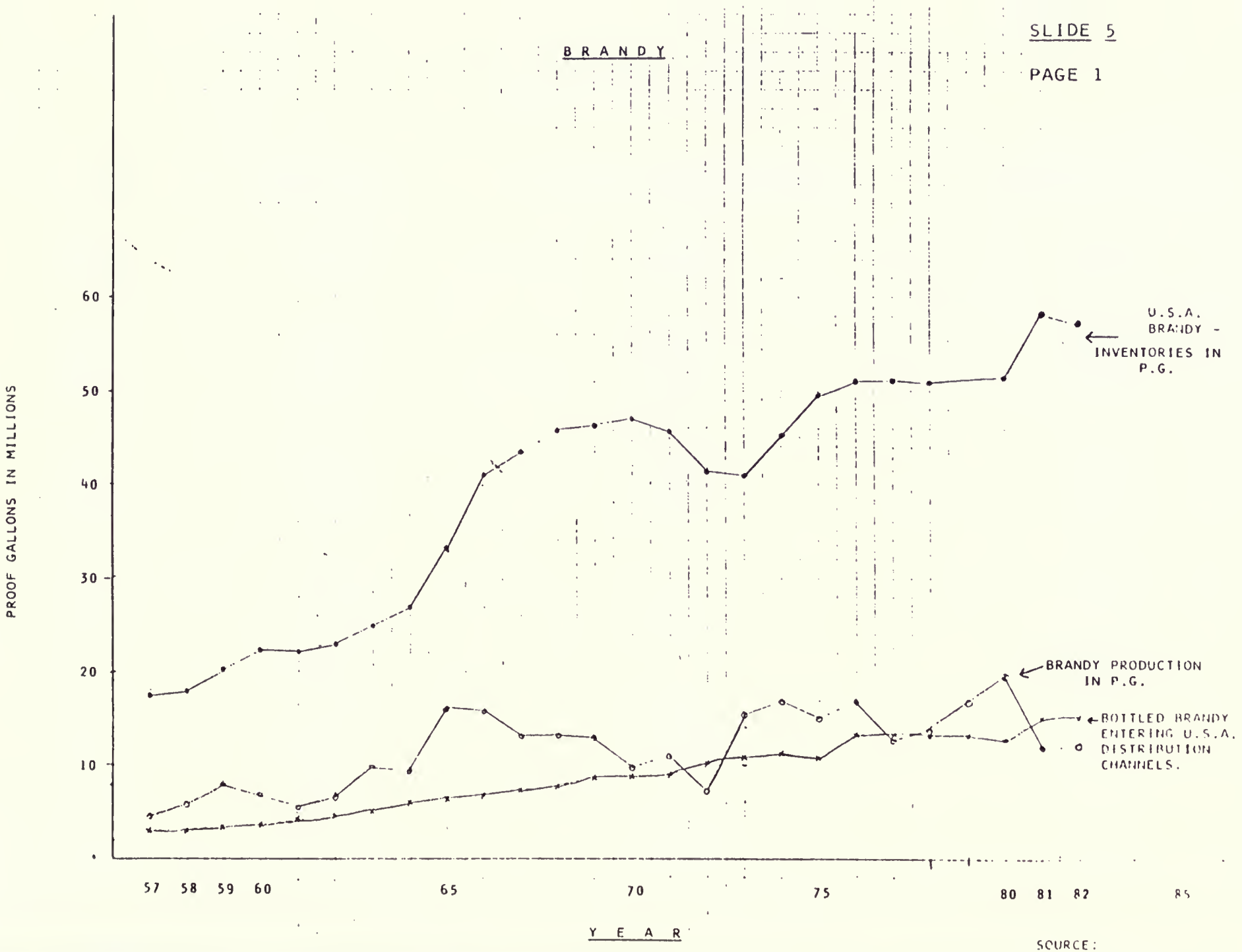
period and shortly thereafter. The growth of brandy is real and slightly steadier than the growth of wine. In Slide 5, giving a 25-year view of California brandy inventories, production, and bottled brandy entering distribution channels, we can see a very positive long term growth in the consumption of our California brandies.

In a recent WINES & VINES article[9] (March, 1983 issue) the observation was made that "Brandy is becoming increasingly important to wine, grape folk;" it is further noted that the long-term trend in brandy sales in the United States has been consistently going up, with very little fluctuation; and that U.S. brandy sales increased some 208% in the 20-year period from 1961 - 1981 as compared to wine which increased approximately 195%. The total for all distilled spirits during that same period only increased 87.3%, or less than half of the growth registered by brandy.

Latest reports[10] comparing the 1982 vs. 1981 sales of distilled spirits show that brandy sales maintained around a 3.5% increase as opposed to a 2.0% sales decrease for all distilled spirits. The only other major spirits showing growth were liquers and cordials -- and Tequila. This indicates that the public is purchasing brandy and is apparently willing to pay the price, as evidenced by the steady increase of import brandies, which are primarily the cognacs. In 1982[9] these

SLIDE 5

PAGE 1



SOURCE:
WINE INSTITUTE
BRANDY ADVISORY BOARD

IN (000) PROOF GALLONS

YEAR	PRODUCTION	U.S.A. INVENTORIES AS OF DECEMBER 31 OF YEAR	BOTTLED BRANDY ENTERING U.S.A DISTRIBUTION CHANNELS
1957	4,320	17,729	3,144
1958	5,904	17,950	3,347
1959	7,974	20,468	3,556
1960	6,875	22,630	3,811
1961	5,738	22,278	4,271
1962	6,735	23,317	4,481
1963	9,921	25,118	4,931
1964	9,546	27,221	5,427
1965	15,980	33,422	6,143
1966	15,874	41,003	6,754
1967	13,004	43,589	7,471
1968	13,299	47,674	7,805
1969	12,961	48,255	8,721
1970	9,875	49,028	8,864
1971	11,368	45,741	9,198
1972	7,215	41,138	10,160
1973	15,462	40,859	10,573
1974	16,653	45,619	10,824
1975	14,904	49,206	10,308
1976	15,783	51,288	13,317
1977	12,307	51,541	13,294
1978	13,903	50,879	13,239
1979	16,980		13,563
1980	19,728	51,636[1]	12,514
1981	12,148	58,376[1]	15,487
1982	12,221*	57,673[1]	15,260

* ESTIMATED FOR 1982

[1] INVENTORIES AS OF 6/30
FOR YEARS 1980/81/82

SOURCE:

import sales were around 6,700,000 W.G. or 2,800,000 cases. Converted to grapes prior to aging losses, this is approximately 145,000 tons, or 5% of the 1982 crush.

What can we, as California brandy producers, do to increase sales and consumption of our product, considering that all brandy sales represent only 4.5% of all spirits sold in the U.S.?

In 1971, the producers of California brandy formed the California Brandy Advisory Board. This board operates under a State Marketing Order and is financed by a $.05 per proof gallon assessment at point of production. For instance during the recent five-year period of brandy production of an average annual 15,000,000 proof gallons, approximately $750,000 was collected. For your information, all California brandy producers belong to this board; and I believe that at the latest count we have twelve California brandy producers.

Quoting from Jim McManus[11] -- the Board's President, he has stated that, "The Board's purpose was to mount a communications program that would enhance the quality image of California brandy and its uses as a versatile beverage not just confined to a snifter for after dinner consumption." The Board also performs extensive work in other areas such as trade barriers and brandy marketing in other states. The Board's efforts have resulted in greatly expanding sales; for example, in the Sun Belt states, which were primarily areas of lower penetration. Of

course, brand support by the brandy producers has been most effective. This, coupled with the California Brandy Advisory Board's work and with the high quality of our brandies, has resulted in our present position. Considerable advertising money is being spent in the United States by foreign producers. Hennessy Cognac has launched an $8,000,000 ad campaign. Hennessy is the leading cognac brand in the United States today.

I believe we can do more to expand consumption of California brandies.

Today, many specialty spirit products such as Southern Comfort (using whiskey), Grand Marnier (using cognac), Drambuie (using Scotch whiskey), Irish Mist (using Irish whiskey), and other similar products are being sold. Sales of liquers/cordials are double those of brandy, and brandy specialty products -- with the proper market support -- would, in my opinion, be accepted by consumers. This is a challenge to all brandy producers.

The big area where I believe we should put emphasis on is in the developing of credentials for our brandies so consumers will perceive them in the same light as they now do the cognacs, which are considered a premium class category. Today's consumer considers cognacs to be a higher class than our premium brandies.

In blind tasting we have found that our premium brandies are as well accepted as the cognacs, and the brandy and cognac experts at these tastings have been confused as to which was which. We should be able to show credentials for our brandies the same as the cognacs carry credentials which imply that they are of a higher quality than California brandy. Unfortunately, our government allows the importers to stress these credentials but will not permit us to make any such statements, except for an age statement such as "This brandy is _____years old." For a time, the BATF permitted use of a vintage year on a brandy label; but it has now withdrawn that right. We do not have the right, for instance, to tell our consumers that we can and do produce brandies of the same quality as cognacs, using the same type grapes, techniques, and aging, and to say that this product is comparable to cognac brandy, and let the consumer decide which of many similar products he may wish to buy.

In line with this, we are today seeing activity on the part of certain California wine producers who wish to produce brandy the same as in the Cognac area, using similar grape varieties such as St. Emillion and, for French Colombard, pot stills and aging in Limousin oak casks. Also, we are noting offshore interest for this type of California-produced brandy. We should be exploring all these areas mentioned, as I know we have the brandy technology and stills to produce such

products. We need to support more brandy research at U.C. Davis and Cal State-Fresno and to also encourage our fellow brandy producers to explore new ways of producing and marketing brandy rather than discouraging or opposing innovations which could convince the U.S. consumer that we can stand up, quality-wise, with our brandies as we have done with our California varietal and generic table wines.

I would again like to thank the A.S.E., U.C. Davis, and others in honoring me as the Guymon Lecturer, and hope I was able to leave some new thoughts with you.

I wish to thank the many colleagues and associates who helped and advised me in the research, data gathering, and in supplying other materials used in preparing this lecture. These are W. Allmendinger, Phil Hiaring, M. Amerine, and J. McManus. I also want to thank other fellow brandymakers -- H. Archinal, Ray Mettler, Art Musso, E. Crowell, R.L. Nowlin, Mike Nury, and Nino Muzio -- all who freely discussed past brandymaking with me and contributed to my knowledge, as I hope I may have done to theirs. And, finally, I shall always owe much to my past teachers on brandymaking and distillation -- particularly the late Dr. Jim Guymon, the late Elbert M. Brown, Wendell Phipps, and the late Al Knippenberg.

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APPENDIX II

CALIFORNIA WINE INDUSTRY AND THE ENVIRONMENT

by E. C. Skofis

1985 Merit Award Recepient -- Delivered to the American Society for Enology and Viticulture, June 27, 1985.

With the rapid population growth in California after World War II and expansion of the urban areas into rural countryside with the resultant shrinking open space, what were once not considered environmental problems gradually arose, particularly because of odor and insects which became a public nuisance.

After repeal of Prohibition in 1933, liquid winery wastes were disposed of without too much concern about pollution into streams, rivers, or surface waters. By 1936, as the population grew near these sites and complaints began to arrive, the State Division of Fish and Game, having become acquainted with the high BOD of those wastes, prohibited discharge of winery liquid wastes other than clear water to streams and rivers. This resulted in the development of deep ponds and lagoons to collect these wastes for evaporation and ultimate disposal.

I recall a story told to me by one of my early winemaker mentors, Elbert Brown, when I was with ISC. He said disposal ponds were built adjacent to the rivers or streams, and since most waste - particularly stillage - was produced in late autumn and fall months, the wineries depended on the early heavy rains with the rise in the rivers and streams to flush out the disposal ponds - a practical answer for a while, but not an acceptable one to the growing population.

With the onset of World War II, the then depressed wine industry became deeply involved in the war effort in the production of tartrates and alcohol. Most of the alcohol was made from molasses. Disposal of this stillage along with other liquids was done mostly in deep ponds - some 6 to 8 feet deep. Subsequent anaerobic fermentation resulted in very bad odors. And I'm sure you have, even today with all present controls, experienced such odors less offensive, but

imagine how many times stronger the odors were at that time. They could well be described as concentrated "hogpen".

Al Paul, a pioneer of the post repeal wine industry and owner of the California Products Co. of Fresno, testified on January 18, 1948 before the California Assembly Committee on Water Pollution and Industrial Waste. He stated

[Quotation from Al Paul was not found at time of printing. Ed.]

he was Chairman of the Wine Institute Winery Residues Disposal Committee, which had been founded in 1945 to direct research for improvement in handling of residues. The committee had contracted for research to be done by Coast Laboratories on Winery Waste Disposal. The creation of this committee and its mission came about because of the many complaints about the bad odors from the deep ponding and lagoons. These serious complaints had been made by residents in the southeast area of Fresno who got all those bad odors and insects from the ponds of the seven wineries located on the east side of Fresno, all of which were involved in tartrate recovery and alcohol production from molasses.

The 1946-47 Coast Laboratories study developed a method - "Grape Stillage Disposal by Intermittent Irrigation" - which would result in an odor free way of land disposal of distillery wastes. The report told - as it is still very applicable - how to get rid of stillage with no odors or mosquitoes and have a disposal system that was neat and economical to operate without being a public nuisance.

This intermittent irrigation system consisted of the application of stillage and wash waters using a basic factor of one acre per 100,000 gallons not over 4" deep and allowing a 6 day drying period (or 13 days for pomace stillage, which is now obsolete), or a rotation of 7 days.

Using this method, which had been developed and industry tested in 1947, the wine industry was able to satisfy the authorities, both state and county, that no bad odors or insects would form. Unfortunately the volume of winery stillage waste disposed was very high. It varied from 130 to 300 gallons stillage per ton crushed. Also let's remember that in that period California table wine production represented approximately only 30% of all California wine produced while dessert wines were 70%. For example, in 1951, a big post war year, some 163 million gallons of wine were produced (47 million table and 117 million dessert). Also, some 4.6 million PG beverage brandy and 36 million PG of neutral brandy (high proof) were produced. That year 1,642,000 tons grapes were crushed.

The 40.6 million PG of brandies required around 880,000 tons of grapes or one-half the tons were distilled!

The reason for the discussion of 1951 is to show the magnitude of the waste volume. Wine Institute statistics show that some 371 million gallons of DM were distilled in 1951, or an average of 226 gallons per ton. In reality, extracting out the tonnage crushed only for table wine, this 226 WG figure was approximately 260 WG/ton, which didn't include the winery wash water or processing washes which vary from winery to winery but could be around 3,000 gallons per ton on year round basis. So we see the wine industry does create much liquid waste effluent.

Why all these numbers? I am going to try to chronologically bring out how the wine industry became involved in environmental pollution control same as other industries. First I want to say that I have given you numbers indicating the tremendous volumes of liquid waste that our industry generates. But I have not even brought out what our industry generates in the form of solid waste. By solid waste I mean stems, pomace, lees and argols. For example, in a survey the Environmental Studies Committee of Wine Institute made in 1970 of 190 wineries, of which 152 responded, with a combined annual crush of 1,600,000 tons, some 124,000 tons of pomace and 24,000 tons of stems were generated and disposed of. So we generate around 150-160 pounds pomace and 30-40 pounds stems per ton grapes crushed. Almost 10% of the crushed grape comes out as solid waste.

We have to accept the fact that we are potential pollutors, but from what I have seen, having been involved in Environmental Studies for the Wine Institute, which represents over 90% of the California wine industry, we can control our wastes disposal to avoid creating problems, and fortunately over 99% of our waste products, whether liquids or solids are biodegradable. The fact remains that we do have enormous volumes of wastes, and the proper disposal of them so they

will not pose health or nuisance problems is as important to our industry as the quality of our wine!

Many of you in this room may remember the national buildup of concerns in the 1960's about the indifference by many industries - particularly the chemical industry - in the disposing of wastes and that we were killing off fish and game, destroying the natural forests, vegetation, and waterways so that future generations would not be able to enjoy any of the things that we were enjoying at that time. There was a national outcry that people create pollution and that people must solve the problem.

To me one of the biggest impacts about our environment and what we people were doing to it was brought out in the early 1960's by Rachel Carson in her book "Silent Spring". Ms. Carson was a biologist. Her book came as a shock to many, and to environmentalists it was a godsend in that it was a clarification and a revelation of man's attack on the environment. This book, a big seller for its time, caused many in government to recognize that in the brief period after World War II our capability to produce and use indiscriminately lethal chemicals was reaching a danger point and man had to recognize he had to institute quickly controls to prevent his eventual extinction from improper use and disposal of chemicals, and I'm <u>not</u> referring to nuclear weapons.

California in the early 1970's with a population of 20 million people was projected by the year 2020 to grow to 45 million people. These future populations would have to use the same water that we were using today after its normal recycling.

With all these national environmental concerns, in May of 1970 President Nixon sent to Congress a reorganization plan in which he consolidated 15 agencies in different government departments,who had some kind of pollution regulatory power,into an independent agency to get better water and air pollution

control. As a result of this plan, the U.S. Environmental Protection Agency, or EPA, came into being on December 2, 1970. At that time, President Nixon stated the following: "We can no longer afford the indiscriminate waste of our natural resources; neither should we accept as inevitable the mounting costs of waste removal. We must move increasingly towards closed systems that recycle what are now considered wastes back into useful and productive purposes." In a sense President Nixon had fired the first volley in the big effort that something had to be done. This so-called closed system has since been referred to as the closed loop, and what it means is that any gallon of water that is used for any purpose - industrial, agricultural or otherwise - must be returned back for reuse in the same condition as it had been originally withdrawn. This was a big order considering the extravagant waste that had been going on for many, many decades in the United States. It was most necessary that consolidated and coordinated effort be put forth.

Again you may ask, how would this affect us in the wine industry? Since environmental quality and its preservation had become one of the most discussed subjects at that time by the public and all concerned, the Wine Institute, recognizing its responsibility, appointed an Environmental Studies Committee in the spring of 1970 to work on environmental problems that may evolve in disposing of winery wastes and byproducts development, and in the production of grapes and winery products. This committee, of which I was appointed chairman in 1970 and have been chairman for some 15 years, was instructed to work closely with the university, federal and state agencies and private research firms in the development and coordination of research aimed at alleviating winery environmental problems. Also initially it was intended to follow closely the political situation and the subsequent increase in number of meaningless regulations which might be proposed and imposed on our industry in what appeared to be quick environmental problem solutions. This was not to say that we did not have any problems, but the approach for such quick legislated resolution could be painful, particularly

if the legislation that was enacted not be meaningful yet impose economic and other hardships on our industry.

A good example of such legislation was the Fresno County mandating in 1969 that since The City of Fresno was expanding its liquid waste collection system, all industries, including the wine industry, must hook up to the system. Seven wineries within range of the new collection system were to be tied in for the 1970 season. Up to that time only three of the seven were tied in and had been from 1934. The City had been forewarned of possible problems.

By October 1970, the city sewage treatment plant was swamped with the extra big flow of stillage and other winery waste, thereby rendering the entire treatment plant ineffective, since the ineffectively treated effluents from the wineries which were high in BOD and mixed with other effluents were causing a bad odor condition in the area of the disposal plant. Immediately the city ordered the wineries to cease disposing of the stillage into this city line. The four wineries had spent hundreds of thousands of dollars for the hookup which could only be used for clear water disposal. Fortunately, they retained their shallow checks and returned to their use for stillage disposal.

Another indication of this happening was in May 1971 when we were advised by the Department of the Army that the wine industry would have to get a permit from the Corps of Engineers under the Refuse Act of 1899 for the discharge of wastes. The Corps of Engineers had been charged with enforcement of this Act. Up to that time there had been very limited enforcement of this Act. Actually, this Refuse Act of 1899 was an updating of the River and Harbor Act of 1866 which at that time was set up to require a permit from the Corps of Engineers for anyone such as a manufacturer who wanted to discharge or deposit waste in the navigable waters of the United States or into any tributary from which such discharge material could float or be washed into navigable waters. The Federal government by enforcing this Act wanted to have all industries get permits for discharge of their washes. This meant that wineries,for example,in Napa Valley

or in the Central Valley that would probably be discharging their waste waters onto land and/which liquid could somehow, such as result of a rainstorm, go into a stream, which in turn flowed into the Napa or other Central Valley rivers down into the Bay would be covered by the Act.

This indeed was a most distressing requirement. The Wine Institute Environmental Committee, after a series of meetings and much correspondence with EPA, was able to get exemption of California Wine Industry to require permits from the Corps of Engineers under the Refuse Act of 1899. We were aided greatly in this by Dr. Franklin Agardy of URS Research Co., San Mateo, California whom I had met during one of my Washington trips to EPA. Dr. Agardy was very helpful in convincing EPA on this as he was serving as an outside consultant for EPA and he agreed land disposal, as recommended by the Coast Laboratory Report, was the best means for California wineries to dispose of winery wastes.

It was during this same period that EPA was formulating recommended effluent limitations for the miscellaneous Food and Beverage Industries, and the Wine Industry was included in this category. Our Committee worked on these EPA effluent limitations from 1971 until 1976. To date none have been published for the wine industry, and my personal observations were that after our many discussions with the EPA during the developing of these limitations, the EPA understood better the California Wine Industry's waste disposal methods and recognized that the California State requirements would be stricter and achieve same end result. Also the EPA had finally recognized the difference in climatic and land conditions affecting Eastern Wineries and California Wineries. Eastern Wineries have a more difficult situation due to more rainfall, cooler weather, less available land for disposal, more streams surrounding the wineries, and generally an entirely different environment.

Also during the early 1970's period, with the federal government legislating many changes in water and air pollution laws and water quality improvements acts,

it appeared that there would be a power "battle" between the federal government and the states. The laws were written with the purpose that the states would be responsible for the monitoring but work with the federal government on their implementation. California State, in its attempt to protect its rights, expanded in 1969 the Porter-Cologne Water Quality Control Act to provide for establishment of a waste discharge requirement for every waste discharge in the state which might affect water quality, and this Act was also designed to achieve water quality objectives or standards that had been adopted by state and federal government by establishing effluent and receiving water conditions, including restrictions to be complied with. Basically, this Porter-Cologne Water Quality Act of 1969 was an extension of the 1949 Water Quality Control Program which had surprisingly achieved remarkable progress in eliminating water pollution from major estuarine areas in San Diego Bay, Los Angeles Harbor, San Francisco Bay and Humboldt Bay, as well as inland waters such as Lake Tahoe and the Central Valley rivers.

In the fall of 1970, we were alerted that there was a California State Policy being Proposed for Establishment of Waste Discharge Requirements within the Central Valley Region. This region covers all interior counties from Kern up to Modoc and takes in all of the interior valley and Sierra foothill counties. The proposed policy suggested that pretreatment of effluents for land disposal would be required to conform to proposed federal regulations.

This was a severe requirement and to those of us working on this matter we could envision a big economic impact and we knew that the result would be increased odor problems. We strongly believed that, based on the experiences of our committee members like Charles Crawford, Leo Berti, Jim Gott, Dr. George York, Hugh Cook, Jefferson Peyser, and myself who appeared before the Staff Board with written statments, pretreatment of waste had been tried in the past and, if anything,we created more problems from the sludge which formed than existed with liquid disposal in shallow checks. Our experiences were that if the intermittent irrigation system (Coast Lab) was used, land disposal was most effective and odor free.

To sum this matter up, we convinced the Board to accept "land disposal of waste with little or no pretreatment only in areas where ground or surface water quality would not be affected and nuisance would not be present". In fact, after months of review, the California Regional Water Quality Control Board - Central Valley Region in Resolution 71-180, January 22, 1971 - adopted the guidelines to be used instead of establishing a policy as originally started. This was a big achievement to have Land Disposal recognized as an acceptable method and, in fact, the Board further stated that in areas having suitable terrain, isolation, soil cover, and ground and surface water conditions, it encouraged the use of land disposal techniques.

One of the more influential supporters in favor of land disposal was Professor Percy McGauhey of U.C. Berkeley who had done extensive research on use of the Soil Mantle as an Engineered Waste Disposal System. He had reviewed the Coast Laboratories' June 1947 Report and stated that their recommendations stressed "exactly" the parameters he had outlined in his studies. Statements such as this and those made by our committee members convinced the Board on use of land disposal of winery wastes. Based on the guidelines, the state proceeded to set up what the waste discharge requirements would be.

A research study was contracted by the Wine Institute to be done by Metcalf and Eddy Engineers, Palo Alto. Study was completed by February 1980 and incorporated by the State as an amendment to the Water Quality Control Plan. Essentially the discharge requirements were for stillage waste, and the study had been done to develop recommendations for minimizing water quality effects and nuisance conditions from land application of stillage waste. The plan was adopted.

In all our dealings with the State Water Quality Regional Boards, we have never taken a negative stand but have, through discussions and research projects such as done by Metcalf & Eddy, Dr. Ed Schroeder of U.C. Davis, and Dr. George York

of U.C. Davis, worked with their staffs to bring out meaningful data which focused on what the problem is and how best to correct it. By this process we have been able to avoid arguments at hearings in enaction of unacceptable regulations against which we would need to take a strong stand because of unreasonable requirements. All must remember, everything changes and only when we recognize that we have to accept that some changes will come about and approach problems - (such as environmental ones which we are discussing) that solutions or toning down of unreasonable requirements can be done.

I have dealt at length on land disposal of winery wastes, and it appears more emphasis was given to the Central Valley wineries. Because of the size of the Central Valley Water Quality Control Area, the other Regional Boards generally will follow their regulatory actions. We know that in the northern wine producing areas there have been problems associated with discharges into the Russian and Napa Rivers.

Fortunately through the use of aerated lagoons, the winery waste - mostly washes - have been successfully treated. Robert Ryder, of Kennedy Engineers, Inc., San Francisco, presented a paper at the 28th Annual Purdue Industrial Waste Conference, West Lafayette, Indiana on May 3, 1973, and in his presentation, "Winery Wastewater Treatment and Reclamation", he pointed out that aerated lagoons provided a level of treatment resulting in 90-99% BOD reduction on 30 days retention and are odor free and that multistage aerated lagoons are suited to treat the wide variation in quantity and characteristics of winery wastes. The elevation of pH to 7.5-8.5 range resulted for better aerobic biological treatment, and some balancing of Nitrogen and Phosphorous to BOD helped to complete oxidation of the organic matter in the winery wastewaters by aerated lagoons.

Another important area where our industry and Environmental Studies Committee are involved in has to do with ion exchange winery wastewaters. In 1982, the Central Valley Regional Water Quality Control Board proposed a limitation of 1,000 micromhos per cubic centimeter EC. The purpose of the conductivity limi-

tation, based on the salinity objective of the Water Quality Control Plan - called Basin Plans, was to maintain the quality of natural groundwater.

The Wine Institute Environmental Studies Committee in December 1982 requested the Regional Board withhold any action until a research study on ion exchange use in wine industry be made so we could characterize what the waste problem was. Also we were aware that the basic issue was primarily the salinity, or sodium ion. The Board in 1983 agreed to a deferment of the specific EC limitation provided the study include various parameters such as identification of all constituents in the ion exchange waste stream, range of concentrations, estimated daily volume, impact of each waste constituent on the beneficial uses of groundwater, and recommendations on practices for discharging wastes which would protect the beneficial uses of groundwater. In addition, the Board wanted a time frame for implementation of the recommended practices.

This was a big order, and a research study was contracted by Wine Institute in May 1983 to be done by George Nolte and Assoc., Sacramento, California with Ronald Crites as Project Manager. Also, U.C. Davis contracted to conduct initial survey by George Cooke on Wine Industry Ion Exchange Waste Disposal. This study was to be made in three stages. Stage 1 was completed in May 1984. Now we are in Stage 2 which was approved by Wine Institute in November 1984 and which could result in finalization of study by end of this 1985 summer. We are hopeful that the research study will come up with certain practices which will result in the Regional Board exempting the Wine Industry from an EC limitation, particularly if we can show that the ion exchange wastewaters could be land disposed and would have no effect on groundwaters. Our subcommittee working on this study is under supervision of Tom Wong, who has done an outstanding job coordinating this with the George Nolte and Assoc. and the Regional Board.

Another very critical environmental area where our wine industry has been working through the Environmental Studies Committee has to do with Ethanol

Emissions, and clean air. This has truly been a real headache and big concern, but we must remember that all of us are interested in clean air.

A Clean Air Act was passed per Public Law 88-206 in 1963 and since then there have been many amendments such as The Motor Vehicle Air Pollution Control (PL89-272) October 20, 1965. The Clean Air Act has been amended yearly with latest Amended Act in November 1977.

Congress enacted the law and subsequent amendments due to urban growths which extend even over state lines and the complexity of air pollution brought about by urbanization, industrial development,and the increased use of motor vehicles, with resulting mounting dangers to the public health and welfare, including agricultural crops and livestock, damage to and deterioration of property,and hazards to air and ground transportation. Congress also stated that prevention and control of air pollution at its source is the primary responsibility of States and local government, and that the Federal assistance is essential for development of cooperative, Federal, State, regional and local programs to prevent and control air pollution.

The primary goal of The Clean Air Act was to control the seven most common air pollutants, which are carbon monoxide, hydrocarbons, lead, nitrogen dioxide, ozone, particulates and sulfur dioxide.

Two standards were set. Primary standards were to protect human health with an added margin of safety for vulnerable segments of the population like the elderly and infants, and Secondary standards to prevent damage to such things as crops, visibility, buildings, water, and materials.

Taking into account the federally set emission standards, states were ordered to develop state implementation plans (SIP's), outlining how they intended to clean up the air within their states by the deadline set, and EPA was to approve the state plans by July 1, 1979, otherwise EPA could ban construction of large new polluting industries in areas that violated the federal standards if the state did not have an approved SIP.

The country was divided into some 247 regional air basins or Air Quality Control Regions.

Regions that violated the standards for one or more of the seven pollutants were designated Non-Attainment Areas and states had to limit new construction of pollution sources until the air in these dirty areas was brought to Federal standards. In regions where standards for specific pollutants were met were called Attainment Areas and states could not allow air in these areas to deteriorate beyond certain levels.

The California State Air Resources Board had appointed The Fresno County Air Pollution Control District, a Non-Attainment Area, as the main agency to investigate organic emissions from wineries and brandy operations since the ARB had investigated and determined that in the San Joaquin Valley significant organic losses emitted into the atmosphere may act as principal precursors in the formation of photochemically reactive oxidants.

We were advised in May 1978 by the Fresno County Air Pollution Control District of this responsibility, and they requested much data from the wineries about their physical facilities as to numbers, and size, and openings of fermenting and storage tanks, and types of products produced, and fermentation temperatures.

The Wine Industry supplied a great deal of data to the FCAPCD who concluded that the wineries in this basin area were major air pollutors.

They - California ARB - had identified ethyl alcohol as Class III pollutant, indicating it was highly reactive and due to the short season with large volumes of fermentation emissions as being significant in the formation of atmospheric oxidants - ozone.

The Environmental Studies Committee met many times with the Air Pollution Control officers and pointed out that the classification of ethanol was wrong.

First because it was not a hydrocarbon and secondly, we had two studies that were in conflict. A Shell Oil study gave a reactivity of 1.0 and a Japanese study showed 0 reactivity. We questioned this difference and requested that EPA take into account the Japanese report. We also pointed out that in 1976, when EPA hosted International Conference on Photochemical Oxidant Pollution & Its Control, a paper was given by EPA researchers indicating that methanol, tertiary butanol, and iso-propanol were not reactive, and to us this inferred that in this chain of alcohols,ethanol was not reactive and not an ozone precursor. Our industry to this day is not satisfied that ethanol is a Class III reactant and that the primary source of air pollution in the Fresno area is the automobile traffic.

At one time we were advised that the State Energy Commission had appropriated funds to do a Smog Chamber Study on Ethanol since it was being used as an additive to gasoline to improve octane rating and also augment fuel supply as an alternative fuel. Unfortunately the $50,000 set aside for this study was withdrawn due to the financial problems of California State. We felt that a Smog Chamber Study would exonerate ethanol, and we hope that in spite of the present high cost - estimated at $100,000 to $150,000 - such a Smog Chamber Research Study should be done.

With gathering of all the data from the wineries, the Fresno Air Pollution Control District presented for our review in September 1982 a draft of a "Winery Fermentations Rule" and their report "Winery Emission Control in California".

In this report, they proposed six control methods: Incineration, Charcoal Adsorption, Scrubbing, Fractionation, Refluxing, and Simple Condensation. Also, they summarized by their analyses that ethanol emission control could be made at a low cost per pound of alcohol recovered.

After intensive review and study, we responded with documentation on Jan. 18, 1983 why we disagreed with their report, pointing out the high costs, particularly

for condensation and charcoal adsorption, and stressing to them the sanitation problems which would arise. Also, we pointed out that their Rule 409.7, Winery Fermentation Operation, which stated that fermentation tanks with a capacity of 100,000 gallons or greater would require control equipment to reduce ethanol emissions by 90% and that by January 1, 1984 application be submitted authorizing construction necessary to comply with this rule, so that by July 1, 1985 we be in full compliance was too cost prohibitive, at $10 per pound alcohol recovered, which relates back to $3.50 per ton grapes crushed. In addition, we questioned again the necessity of such controls since we weren't convinced by scientific documentation that ethanol was a pollutant.

Finally, a deferment on rule making was given after our Committee proposed a research study showing that by fermenting at cooler temperature, ethanol emissions could be reduced, although we did not concede that ethanol was an ozone producer.

A research study by U.C. Davis was funded in late 1983 by the Wine Institute with purpose to investigate and screen out what yeasts could ferment at cool (45°F) temperatures and at reasonable rates and do a yeast clonal study to select cold tolerant yeasts. This study has been completed and the report is pending.

Also, a second study has just been approved by the Wine Growers of California to continue this work and to investigate into improvement of fermentation rate characteristics. In the first study out of 75 yeasts studied, the champagne yeast now in use has proven to be the best available one. In this second study, a selection of cold tolerant mutants will be made. Hopefully our study will not only produce cold tolerant yeasts but also one that can ferment at a desired rate.

Our present status on this Ethanol Emission problem is that the Fresno Air Pollution Control District, the lead agency for the ARB, is proposing a rule which we have participated in formulating. The rule will be reviewed by the Technical Review Group of the State Air Resources Board in July 1985 for adoption

by September 1985, and essentially it covers all tanks 95,000 gallons or greater. The weighted average fermentation (WAFT) would be for white wines starting in 1986 at no more than 63°F, and by 1990 and later at no more than 55°F. For red wines the WAFT would be no more than 84°F in 1986, and no more than 80°F by 1990 and later. Other conditions are that temperature recording instruments be installed on 20% of the tanks per year each year, starting in 1985 to record temperature, and gallons / be recorded at least two times per day with no less than six hours apart. Other methods of emission control may be used if certified by the APC officers.

We have repeatedly asked EPA through the Fresno County Dept. of Health that has the Air Pollution Control responsibilities to find out and give us the scientific basis for their classification of Ethanol as a Class III reactant. Each time we get the references back giving the Shell Oil result which also includes the Japanese report. Just recently we were told they were going to give us a new report. As it turned out it was a re-hash of the same data except in a new form. I assure you we have been most frustrated

But we can't let up with our present strategy of having meaningful dialogue, doing research studies, and perhaps in time convince EPA that ethanol must be classified to one of less reactivity and that wineries are not an important source of air pollution.

With time we hope we can (1) get smog studies to exonerate ethanol and (2) our yeast studies produce a better yeast - cold tolerant with good fermentation rate. For the present the state rule will apply only to the 95,000 WG or larger tanks used in fermentation.

Again we stress the Environmental Studies Committee can't agree and is not conceding that Ethanol is an air pollutant, but the reality of this problem is that EPA has dictated that there be a control rule on ethanol emissions.

Our subcommittee working on Ethanol Emission is under supervision of Art Caputi who has done an extraordinary job of reviewing all the data given us

by the Fresno Air Pollution Control District and preparing our responses in addition to coordinating the yeast study being done at U.C. Davis and keeping the Fresno Air Pollution Control District and Air Resources Board fully apprised.

Both Art Caputi and Tom Wong have devoted much time on the ion exchange and yeast studies, and I can't thank them and the other Environmental Committee members enough for their continued tedious, lengthy, frustrating discussions and support.

With respect to the Smog Chamber Study, we have to understand that if and when such a study is made, the results may show that ethanol is a reactant - the degree of which is unknown. As previously explained, we don't believe it is highly or even reactive, and if it is on the low reactivity end, this should not be the basis for all the controls we presently are going to be subjected to but that ethanol be reclassified.

Another item I would like to make you aware of is the question of SO_2 in the workspace in the wineries. Cal-OSHA proposed in mid 1982 to lower the Permissible Exposure Limit (PEL) from 5 ppm to 2 ppm. The 5 ppm is the Federal Level. After a series of meetings and a report by one of our members that in preliminary tests run in October 1982, the highest exposure in normal winery operations was less than 1 ppm and that a coastal winery where testing had also been done the highest exposure found was 1 to 1-1/2 ppm, we adopted a general position not to oppose the State proposal.

The wine industry attended a number of meetings of an advisory committee which included groups like the Grape and Tree Fruit League and the Prune, Raisin and Walnut people.

At the January 1983 Advisory Committee meeting, the group recommended to the Division of Occupational Safety and Health (DOSH) staff that a level of 3.5 ppm be suggested to Cal-OSHA to incorporate into Section 5155 - Airborne Contaminants - & a further review be made in December 1985 with the purpose

after additional field testing to determine the extent of this problem, and if further reduction is necessary to the 2 ppm.

The Wine Institute advised its members of the hazards and correct uses of SO_2. We feel that the wine industry can comply with the stricter requirement if wineries would use the proper p rocedures when handling Sulphur Dioxide.

Another matter which was of great concern to the wine industry was the use of asbestos in filtration. In the early 1970's, a number of articles - both U.S. and French - had been written advising of the dangers of ingested asbestos and that, in the French report, they reported they found hundreds of microscopic fibers in beverages.

After much discussion and review, in May 1977,the Technical Committee of the Wine Institute recommended that, for many reasons, including FDA ban on use in filtration of pharmaceuticals, use of asbestos filtration not be used, but if used, the filtration be followed with a 0.45 micron membrane filtration. In May 1978, the Technical Committee further recommended as being on record against any use of asbestos.

There has been much controversy about the matter - whether such asbestos use should be abandoned since there were no medical studies supporting such a ban. Because of its political and other PR implications, and because we have shown we can filter as well without asbestos, I believe the position taken was and is correct.

I hope you have found this talk informative. I didn't intend this to be a narrative but a summary of how we have dealt with the issues of water and air as pertains to all of us in the wine industry and how it affected us.

We have found that as issues were raised we should be realistic in reviewing them and not be frightened by the consequences of what was proposed we would have to do. The Environmental Committee has kept an open dialogue with all the various pollution control agencies. We believe by discussion, by

supplying them with all data available, by conducting research to get better information, and by not flexing any muscles, we could arrive at solutions which were meaningful yet met the concerns of today - of protecting our Environment.

Environmental Studies will and must continue in our industry, and we have people such as Art Caputi and Tom Wong to carry on such work. I want to acknowledge by name two other people besides the Environmental Committe members who have worked superhard in our effort.

First, I want to pay high tribute to the late Hugh Cook who, prior to his death a few years ago, was indeed the one who kept everything in order, who communicated with the government agencies, and without whom we couldn't have achieved the desired results.

Second, I want to pay a million thanks to Charles Crawford without whose unlimited support and counseling to me, I couldn't have survived these 15 years as Chairman of the Environmental Studies Committee.

I am very satisfied with the results we have achieved to date and accept the fact the headaches were worth it.

Thank you.

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